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UNITED NATIONS



# ECONOMIC BULLETIN FOR ASIA AND THE FAR EAST

THIRD QUARTER, 1950

Vol. 1, No. 3



*Prepared by the*

**RESEARCH AND STATISTICS DIVISION**

**ECONOMIC COMMISSION FOR ASIA AND THE FAR EAST**

**BANGKOK, February 1951**

INV. '60

This is the third issue of a BULLETIN intended to provide a regular review of the economic situation of Asia and the Far East in the intervals between the publication of the annual ECONOMIC SURVEY OF ASIA AND THE FAR EAST. Three issues of the BULLETIN will be published annually, in August, November and February, covering the first, second and third quarters of the year respectively. The analysis of economic developments in the fourth quarter of the year will be included in the ECONOMIC SURVEY OF ASIA AND THE FAR EAST (which will be published in the future, as in the past, at the end of May). In addition to the general review of economic developments in the quarter and the compendium of Asian Economic Statistics on which it is based, the BULLETIN will contain special articles on particular subjects related to the problems of the Asian economy.

The BULLETIN, which is prepared by the Research and Statistics Division of the Secretariat of the Economic Commission for Asia and the Far East, is published entirely on the responsibility of the Secretariat, and its contents, which are intended for the use both of governments and the general public, have not been submitted to the member Governments of the Commission before publication.

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Price of Vol. 1, No. 3 of the Economic Bulletin for Asia and the Far East... \$0.50

Available in local currencies from all Sales Agents for United Nations Publications (see list inside back cover) and from the Secretariat, Economic Commission for Asia and the Far East, Bangkok, Thailand. Standing orders can be placed with all Sales Agents and with the Secretariat (for payment in local currencies) and with:

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# REVIEW OF THE ECONOMIC SITUATION IN ASIA AND THE FAR EAST

JULY—SEPTEMBER 1950

## SUMMARY

**T**HE effects of the Korean hostilities on the economy of the region began to make themselves felt in the third quarter of 1950, in the form of rising prices, a strong demand for goods from Japan and for essential raw materials from south and south-east Asia, and further restriction of trade with China.

In the field of international co-operation, there were several important developments. These included the start that was made in the practical application of the Commonwealth plan for the economic development of south and south-east Asia, the admission of Ceylon and Pakistan to membership of the International Monetary Fund and the International Bank, and an increase in the activities of the United States Economic Co-operation Administration in the region.

Reports on agricultural production in the region indicated a slightly improved position in regard to food production. Production of rubber continued to increase. In the field of mining, production of coal and tin concentrates in the region declined slightly. Production of coal was also slightly lower in Japan. Electric power generation continued to increase in the region. In Japan there was a seasonal decline but production was substantially higher than in the corresponding period of 1949. In the sphere of manufacturing industry, there was an increase in iron and steel production in India, but a fairly marked decline in cotton textiles. In Japan increases were registered in most important industries.

Trade controls were relaxed slightly in Burma, India, Indochina, Malaya and Pakistan but were tightened in China and Hong Kong. The value of total trade in terms of national currencies was greater in the third quarter of 1950 than in the preceding quarter and the corresponding quarter of 1949. During the quarter more positive balances of trade were registered among the countries of the region than negative balances, and it appeared that the region was returning to its pre-war pattern of positive trade balances which were used to pay for invisible imports.

There was an inflationary tendency in the region taken as a whole, mainly as an indirect result of the Korean war and world rearmament.

## GENERAL

During the period under review the hostilities in Korea began to affect the economy of the region in several ways. Apart from the severe blow dealt to the economy of Korea itself, the most clearly perceptible effect was the sudden demand in Japan for supplies for the United Nations forces and consequently an appreciable rise in Japanese exports. Events in Korea, by speeding up the movement towards rearmament, also contributed to a rise in the prices of many commodities, in some cases purely speculative, and, in particular, to an increase in the prices of rubber and tin. In addition, the Korean developments caused an acceleration of the movement initiated by the United States to restrict exports to China.

At the end of August, Ceylon became the forty-ninth member of the International Monetary Fund and the International Bank. The Government of Pakistan announced in July the enforcement of the International Monetary Fund and Bank Act, with effect from 7 July, thus completing the process of Pakistan's entry into membership, and it was understood that Pakistan had submitted sixteen projects for consideration by the Bank. The Bank was also reported to have granted a loan of \$19.9 million

to Thailand for the improvement of roads, railways, postal and telegraphic services, and the harbour of Bangkok, as well as for agricultural and irrigation projects. Orders for locomotives, rolling stock and rails were reported to have been placed in Japan, and for diesel locomotives in the United States.

Other developments in connection with United Nations activities in the field of economic aid to countries of the region were the signature in September of agreements between the Food and Agriculture Organization and the Governments of Burma and Ceylon regarding technical assistance for agriculture and forestry, and the discussions in this connection which were begun with Pakistan. In addition, certain of the allocations made by UNESCO for technical aid to Ceylon, India, Indonesia and Pakistan covered projects of an economic character.

The most noteworthy, if not the most immediately significant, of developments in connection with external economic aid was the working out of the Colombo plan for economic assistance to the countries of south and south-east Asia. The plan originated in a meeting of Commonwealth foreign ministers held at Colombo in January, 1950. This was followed by further conferences at

Sydney in May and again at Colombo in July, when a plan was drafted for a technical assistance bureau to supply expert advice on technical problems, for which purpose a sum of £8 million is to be provided. Meanwhile the countries concerned proceeded with the task of drawing up six-year plans of economic development. These plans were presented at a further meeting of Commonwealth ministers which began in London on 26 September. The meeting was also attended by representatives of Burma, the Associated States of Indochina, Indonesia and Thailand. The first action taken was to approve the plan for the establishment of a technical assistance bureau.

The United States Economic Cooperation Administration continued at an accelerated pace its programme of aid to countries in the region. On 13 September an agreement was signed between the United States Government and the Government of the Union of Burma providing for aid in reconstruction and development. The Burmese Foreign Minister stated that the value of the aid contemplated for the period up to 30 June 1951 was eight to ten million dollars and that it was expected that this would be considerably increased in the following year. The Economic Cooperation Administration made various additional grants to Indochina during the quarter. On 13 September a credit of \$360,000 was opened for the purchase of textiles from Japan and another of \$115,000 for the purchase of insecticides. The total of ECA grants to Indochina at that date was reported as \$1,318,000. On 19 September an agreement on economic and technical co-operation was reached between the United States Government and the Government of Thailand. It followed the pattern of other ECA agreements, and the Government of Thailand agreed to establish an account in which would be deposited the local currency accruing from the sale of commodities supplied by the United States Government, the account being used for purposes approved by the latter.

Economic conditions within the Philippines were the subject of study by the United States and a mission headed by Mr. Daniel W. Bell arrived in the Philippines in July. It was indicated in Washington that after the mission had reported it was likely that the Philippines would receive ECA and Point Four aid.

The United States Export-Import Bank announced in August that authority had been given for the use of about \$22 million of the \$100 million credit for Indonesia, for the rehabilitation of road transport. In addition, a Netherlands general purpose loan to Indonesia of 200 million guilders, plus a credit of 80 million guilders to consolidate a debt assumed by Indonesia at the Round Table Conference in 1949, was approved in August by the Netherlands Lower House. The total credit is to run for

11-1/2 years from 1 July, 1951, with an interest rate of 3-1/2 per cent annually and redemption beginning in 1953.

## PRODUCTION

### *Agricultural production*

Such reports as became available during the quarter indicated a slightly improved position in regard to food production. It was reported by the FAO in August that, in spite of the necessity of shipping rice to Korea for relief purposes, no serious overall shortage was expected, since additional supplies were likely to be forthcoming within the next six to twelve months. The report stated that, in general, world rice production had attained the pre-war level, despite a partial crop failure in China. There was an increased area under rice in India and large crops in the western hemisphere. The report stated, however, that the precarious balance between world supply and demand could easily be upset by unforeseen developments in any major rice producing or consuming country.

Information from the countries of the region indicated that the next rice crop was likely to be somewhat better than the preceding one. The second forecast of Burma's rice production for 1950/51 gave the area sown as 9.4 million acres. The corresponding estimate for the previous crop year was 8.9 million acres, and the actual area sown was 9.3 million acres. Production in 1950/51 was therefore likely to be somewhat greater than in 1949/50, and, with the improvement that has taken place in transport facilities, more should become available for export.

From Indochina it was reported that measures had been taken to check the rise in the price of rice. Supplies to northern Viet-Nam were to be assured through controlled purchases in the trans-Bassac area, while the export of cargo rice and white rice to foreign countries was suspended in Saigon with effect from 15 August.

In the Philippines it was estimated that the area under rice had increased by about 400,000 acres to 5.9 million acres, and favourable growing conditions indicated that a larger crop could be expected than in previous years. The preliminary estimate of paddy was 2.6 million tons, which would be a 4 per cent increase on 1949.

In regard to grain crops, the final estimate of production of jowar (maize) in India for 1949/50 was 5,760,000 tons, compared with 5,013,000 tons for the previous year. Acreage was estimated to have increased from 36,525,000 acres to 37,438,000 acres. From Indochina it was reported that the exportable surplus of maize was likely to be the largest in the post-war period and to amount to about 50,000 tons. Negotiations were going on with the French authorities in order to sell the maize above world prices.



In Pakistan it was reported that the area under wheat in the North-West Frontier Province had increased by 200,000 acres, and the 1949/50 crop was estimated at 300,000 tons, an increase of 78 per cent over the previous year. For the whole of Pakistan, the wheat crop was estimated to be slightly lower in 1949/50 than in the previous crop year. A surplus of wheat was tending to develop, and proposals were made to switch to cotton, sugar cane and oil seeds. In August higher standards were prescribed for wheat purchased by the Government and for exported wheat.

The Japanese Ministry of Agriculture and Forestry announced in August that grain crops were expected to attain almost the pre-war (1935 to 1939) average. Barley production was estimated at 81 million bushels. The actual production of barley in 1949 was 82.5 million bushels, and the average for 1935-1939 was 65 million bushels. The yield per acre, however, was still below the pre-war level. Because of larger supplies, the Foodstuffs Control Corporation reduced the milling rates of both wheat and barley.

The production of soybeans in China was reported to have increased from 1.7 million tons in 1949 which was probably the smallest in several decades, to 2.9 million tons in 1950. Between 1930 and 1940 Manchuria produced an average of 3.6 million tons of soybeans annually, but this figure has never been attained since that period. The official plan for soybean production in Manchuria was said to provide for a production in the coming year of 117.2 million bushels from 75 million acres.

Estimates of sugar production in India for 1950/51 indicated an increase of about five per cent over the previous year. The increase in area planted to sugar, which is entirely accounted for by the additional acreage in Uttar Pradesh, was about 4.7 per cent. Production of sugar in the Philippines in 1950/51 was expected, for the first time since the war, to attain the pre-war level and to reach almost one million tons, with the result that it may be possible to meet the export quota of about 850,000 tons. The 1949/50 crop was only 635,000 tons.

In regard to tea production, the original estimate of damage to the tea gardens of Assam through the earthquake appears to have been unduly high. Later reports gave a loss of only 1.5 million pounds, or about 0.3 per cent of the estimated tea crop of northern India for the year. Total production of tea in India was expected to be about 600 million pounds. The first estimate of tea production in Japan for 1950 indicated that production would be about 67 million pounds, an increase of about nine per cent over 1949 but not much more than half the annual average production for 1935 to 1939.

In regard to oilseeds, it was reported from India that the flax seed crop in 1949/50, in comparison with the previous crop year, had declined by about four per cent to 17 million bushels, mainly owing to unfavourable weather in Bihar. In Pakistan, however, production of flax seed in 1949/50 was 520,000 bushels compared with 480,000 bushels in the previous year. On the other hand, there was an estimated decline of about four per cent in the production of rape seed and mustard seed, despite a larger acreage sown to these crops. This decline was due to unfavourable weather in Bahawalpur State, the North-West Frontier Province and the Punjab.

The second forecast of the cotton crop in Burma for 1950/51 showed a slight decline compared with 1949/50. In both India and Pakistan, on the other hand, the cotton crop was reported to be doing well, in spite of damage from rain and floods in some areas. Planting in India was delayed because of the lateness of the monsoon. Both the Central and State Governments in India continued to devote attention to increasing cotton production. In Pakistan the Government sanctioned expenditure for the production of pure seed of long-staple American cotton, and work on this had already started at two research centres. The cotton crop in China for 1950, which was reported to be sufficient to operate all China's existing spindles, was estimated to amount to 15 million piculs, compared with 8.5 million piculs in the previous year.

A decline in the area under jute in Pakistan for 1950/51 was reported in August, though it was estimated that the yield would be larger than in the previous year. The Government of Pakistan decided in September to enter the jute market as a purchaser of certain qualities of jute in order to stabilize prices. Arrangements were made by the Jute Board to set up a net-work of agencies, and credit facilities are to be provided where necessary. Jute production in India was said to be increasing.

The position of the abaca industry in the Philippines continued to cause concern. Attempts were made to induce the United States Government to include the Philippines in the United States programme to expand abaca production in Central America. A new corporation, called the Ramie Corporation of the Philippines, was organized in September. It plans to have 1000 hectares of ramie plants in growth by October 1951.

Production of rubber in the region continued to increase during the quarter. Total production in British Borneo, Ceylon, India, Indochina, Indonesia, Malaya and Thailand averaged 165,000 tons a month, compared with 146,000 tons a month in the preceding quarter. With the exception of India, which accounts for a very small part of the total, all the countries named increased their production.

In Ceylon it was stated that, under the 1947-1950 programme of land development, 35,000 acres would be developed by the end of September 1950. A further 14,000 acres were to be developed in the following year.

It was reported by the Indian Ministry of Agriculture in July that the Government had allocated 235,000 tons of ammonium sulphate during 1949/50 to various States for the production of food crops. This was an increase of 45 per cent over the previous crop year. The Reserve Bank of India in August sanctioned a loan of Rs.50 lakhs to the State Cooperative Bank for crop raising in Madhya Pradesh during 1950/51. In September the Rural Banking Enquiry Committee submitted to the Government a report containing detailed recommendations for the mobilization of rural savings and the establishment of rural credit machinery.

The Government of Bombay decided in July to subsidize rural credit societies. On 7 September the Government of Madras took over all the zamindaris of Krishna and West Godawari under the Zamindari Abolition Act. On 25 September the Land Reforms Act, which provides for the abolition of zamindaris in Bihar, came into operation.

In the Federation of Malaya the Six-year Development Plan was approved in July by the Federal Legislative Council. This provided, among other things, for capital expenditure to increase by substantial amounts the production of rubber, rice, pineapple, fish, copra, coconut and palm oil, and timber. It was proposed also to increase the number of cattle in the country.

In Pakistan a beginning was made on construction of the Kotri Barrage in Sind. This is expected to be completed in 1954 and to irrigate about 2.8 million acres. Steps were also taken in Sind to promote the mechanization of agriculture by importing tractors and providing for their maintenance and most economical use. At the meetings of the Council of Technical Education, it was proposed to increase the provision for research in agricultural and veterinary science.

#### Industrial and Mineral Production

Compared with the second quarter of 1950, a slight decline was registered in the region's production of tin in concentrates and coal. In comparison with the corresponding quarter of 1949, production of tin in concentrates was five per cent higher and production of coal was almost the same. Production of cotton yarn (India only) was eight per cent lower than in the second quarter of 1950 and 16 per cent lower than in the third quarter of 1949.

Pig iron, steel ingots and finished steel production (India only) rose by five to eleven per cent compared with the previous quarter. Pig iron production was four per cent lower than in the third quarter of 1949, but steel ingots and finished steel were up by nine and seven per cent respectively. Cement and sulphuric acid production, and electricity generation, rose in comparison both with the preceding quarter and the corresponding quarter of the previous year.

### OUTPUT OF PRINCIPAL INDUSTRIAL AND MINERAL PRODUCTS IN THE ECAFE REGION<sup>a</sup>

(Monthly averages in thousand tons)

	1949				1950			Relative changes in 3rd quarter of 1950	
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter	3rd Quarter 1949 = 100	2nd Quarter 1950 = 100
Tin in concentrates	7.70	8.57	8.32 p	8.51 p	8.50 p	8.88 p	8.76 p	105 p	99 p
Coal	2,878	2,734	2,763	2,894	3,033	2,838	2,775 b	100	98
Electricity (million kilowatt hours)	436	471	469	478	461	483	492 c	105	102
Pig iron and ferro-alloys	119	130	136	139	136	125	131	96	105
Steel ingots & castings	107	116	114	121	120	112	124	109	111
Finished Steel d	76	74	81	83	82	79	87	107	110
Cement	182	191	208	243	251	239	245	118	103
Cotton Yarn	54.1	52.3	50.0	49.3	45.7	45.9	42.0	84	92
Sulphuric acid	6.77	2.35 e	8.60	9.14 p	7.43 p	8.89 p	9.07 p	105 p	102 p

a. Countries included under each product are as follows:—  
Tin in concentrates—Burma, China, Indochina, Indonesia, Malaya and Thailand.

Coal—India, Indochina, Indonesia, Malaya and Pakistan.  
Electricity—Hong Kong, India and Philippines.  
Cement—Hong Kong, India, Indochina and Thailand.  
Pig iron and ferro-alloys, steel ingots and castings, finished steel, cotton yarn and sulphuric acid—India only.

b. Average of July and August for Indonesia; only July figure available for Pakistan.

c. Average of July and August for Philippines.

d. Revised figures.

e. June only.

p. Provisional.

In Japan industrial production rose, though there was a seasonal decline in the generation of electricity and a slight fall in coal production. The rise continued a trend which has been noticeable for a long period, but it was probably sustained in part by the "special demand" arising out of the Korean hostilities.

Governments in the region continued to devote attention to the problems of industrialization, and some developments in this connection are described below. In Ceylon a Cabinet sub-committee, consisting of the Ministers of Finance, Commerce and Trade, and Industries, Industrial Research and Fisheries, was appointed in August to report on foreign investments, the inducements that might be offered to foreign investors, and the safeguards that should be applied to protect local capital. The Minister of Industries emphasized that the Government's policy was to encourage the inflow of foreign capital, while at the same time promoting the growth of domestic capital.

The Development Plan of the Federation of Malaya, which was approved in July by the Federal Legislative Council, provides for a six-year programme involving a capital expenditure of 186 million Malayan dollars, and a recurring annual expenditure of 43 million. Part of this is to be used for increasing the production of iron ore from 600,000 tons to 1.5 million tons a year, and the production of coal from 400,000 tons to 700,000 tons a year. It is proposed also to increase tin production by about 15 per cent. The Government had previously announced its decision to set up an interim organization, designated the Rural and Industrial Development Authority, to decide on the priorities to be given to the various projects laid before it and to determine how they shall be controlled and financed. It is intended that the Authority shall have its own finance and develop into a statutory corporation.

The mission headed by Lord Burghley, which had visited Pakistan at the request of the Government, issued its report on the possibilities of industrialization in that country. It called attention to the deficiency in many raw materials and the present lack of technical personnel. In connection with the proposal contained in the 1949 report on Pakistan industry to manufacture 100,000 tons of ammonium sulphate annually in the Punjab for use mainly in East Pakistan, the report pointed out that the high freight costs involved made the plan uneconomical, and it suggested that, in general, plans for heavy chemical manufacture should be postponed. The Mission also considered that the present development of Pakistan did not justify the establishment of works for the manufacture of heavy machinery and electrical equipment. It suggested the increased manufacture of light products and the de-

velopment of spinning, to supply yarn for the hand-loom industry, and made recommendations for increasing the number of technicians. The mission estimated total expenditure on the government development plan over the next five years at about £200 million.

The President of the Philippines on 10 August issued Executive Order No. 341 under Republic Act No. 35, establishing regulations for the exemption from taxation of "new" and "necessary" industries. The Order defined such industries and authorized the Secretary of Finance, in consultation with other departmental chiefs dealing with economic affairs, to determine the particular enterprises which should qualify.

On 28 August the National Economic Council of the Philippines recommended to the Government the release of five million pesos for the rehabilitation of the mining industry, to be made available in the form of loans from the Rehabilitation Finance Corporation. It was proposed that the money should come from the balance of the 200 million pesos earmarked by the Central Bank for self-liquidating productive projects.

On 22 August the Department of Economic Co-ordination submitted to the President a report by the Committee on Reorganization of Government Corporations. The general trend of the report was in favour of leaving as much scope as possible to private enterprise. It recommended the reduction of the number of government enterprises from twenty-four to sixteen, the limitation of the rôle of the Government in the exploitation of the country's resources to necessary financial assistance and the organization of development banks in rural areas. The report recommended that the Government should not participate in export trade, agriculture, or activities competing with private enterprises. It also proposed that the Government should give preference in the establishment of essential industries to iron and steel, those using local products as raw materials, and those using well proven processes.

*Coal and Electricity.* Total output of coal during the quarter in India, Indochina, Indonesia, Malaya and Pakistan declined by a little over two per cent compared with the preceding quarter but was very slightly higher than in the third quarter of 1949. Malaya was the only country where production was higher in comparison both with the preceding quarter and the corresponding quarter of 1949.

The total amount of electricity generated in Hong Kong, India and the Philippines increased both in comparison with the preceding quarter and the third quarter of 1949. In Japan there was a seasonal decline but the amount generated was still over 6 per cent greater than in the corresponding period of 1949.

*Mining.* Production of tin in concentrates in Burma, China, Indochina, Indonesia, Malaya and Thailand during the third quarter of 1950 reached a monthly average of 8,760 tons, which was about 1.4 per cent less than in the second quarter but more than five per cent greater than in the corresponding quarter of 1949. Production of tin metal in Malaya reached the high figure of 6,252 tons a month, an increase of nine per cent over the preceding quarter.

The Federal Mines Department in Malaya attributed the decline in the production of tin in concentrates in the third quarter to the fact that fewer dredges were in operation in some of the Malayan states, to the seasonal shortage of water and to the high price of tin, which enabled lower grades of ore to be worked. In Thailand tin operators requested the Government to assist in finding new lodes and veins, since deposits in several mines were becoming exhausted. Production of tin in Thailand is currently about two-thirds of the amount produced before the war. It was also reported that five companies had applied to the Mines Department for permission to prospect for tin off the west coast of Thailand. Four of these companies are British, including three which are already operating in Thailand, and the fifth is a Thai company.

Production of iron ore in Malaya continued to increase and reached a monthly average of 54,000 tons. In Hong Kong production declined slightly. Japanese production was about 12 per cent greater than in the second quarter, though slightly less than in the corresponding quarter of 1949.

From India it was reported that prospecting for petroleum was being continued at Barsilla, Assam, about 100 miles from Digboi, where India's present oil production is obtained by the Burma Oil Company. In New York it was stated by a representative of the Government of Pakistan that the participation of American experts in the development of the country's oil resources would be welcomed. It was stated also that if prospecting operations were successful, the licensee would have the right to obtain an oil mining lease for a period of up to 30 years. In Burma, the Oil Fields Enquiry Committee appointed by the Government in November 1949 to enquire into conditions in the oil industry and suggest measures for its rehabilitation, published its report in September.

*Manufacturing.* Notes on developments in the sphere of manufacturing industry in countries of the region and in Japan are given below.

*Ceylon.* The government glass factory at Nattundiya resumed production in August, after a suspension of operations for four months. The Government decided to permit the Bata Shoe Company to establish a branch

in Ceylon to manufacture rubber shoes. The cottage industry of mat-weaving located in Panadura was said to be in difficulties owing to lack of raw materials.

*China.* Industrial production in Manchuria was reported to be expanding as the result of heavy governmental investment, but no details are available. It was also reported that Soviet technicians were assisting in the industrial rehabilitation of Manchuria. Plans for the manufacture of motor-cars in China were said to be under way.

*Hong Kong.* The rubber manufacturing industry was reported to be hit by rising costs and lack of orders. On the other hand, the iron and steel industry, which has a monthly maximum output of 2,000 tons, was reported to be flourishing because of orders from the Philippines, Singapore, Thailand and other Asian countries.

*India.* Production of pig iron and ferro-alloys, steel ingots and castings, and finished steel increased in India in the third quarter as compared with the preceding quarter. The increase in the production of ingots and finished steel was about ten per cent. As compared with the third quarter of 1949 pig iron production was lower, but production of ingots and finished steel was higher by about eight per cent.

In his speech of 24 August, the Chairman of the Tata Iron and Steel Company commented on the present position and future prospects of the iron and steel industry in India. He said that in the Tata works the labour force continued to be much in excess of needs, but that a better spirit among the workers, together with plant improvements, had brought about an increase in the production of finished steel from 664,000 tons in 1947/48 and 671,000 tons in 1948/49 to 727,000 tons in 1949/50. He referred to discussions with the Government concerning a long-term loan for the purpose of raising the capacity of the Jamshedpur plant from 750,000 tons to about 935,000 tons a year over a period of six years. He then mentioned the plans of the Government to construct at least one new steel plant with a capacity of 600,000 tons a year and expressed doubt as to whether the Government would be able to finance such a project in the near future.

Production both of cotton yarn and cotton fabrics declined in India by about 10 per cent compared with the previous quarter and was also substantially below production in the corresponding quarter of 1949.

*Indonesia.* The Indonesian Government was said to have decided to establish two dessicated coconut plants, in collaboration with American industrialists, at an estimated cost of \$3 million. The Government will contribute about 51 per cent of the capital.



*Pakistan.* Textile production increased, though capacity was still much less than was planned under the five-year programme, which calls for one million spindles and about 17,000 looms. So far only about 100,000 spindles and 800 looms have been installed. Current production was reported to be at the annual rate of 75,000 bales of cloth of 1,500 yards each and 19,000 bales of yarn of 400 lbs each.

The first stage of construction of the Pioneer Woollen Mill at Gujranwala was completed and the manufacture of worsted goods was begun. The remainder of the machinery for the mill has arrived and the factory is expected to be in full operation shortly.

A modern silk factory, known as the Al-Meen Silk Mills, was opened in September. In July orders were placed in the United Kingdom for machinery for Pakistan's first three jute mills, comprising a thousand looms, and shipments are expected to begin in January 1951 and to be completed by the middle of 1952.

In July the Government approved various plans for the development of cottage industries, and the services of an American expert in the marketing of handicraft goods were obtained. In September the Government sanctioned the establishment near Chittagong of a paper mill with a capacity of 30,000 tons a year.

*Thailand.* In July the Government decided to send a study group to India to study the lac industry in that country, with a view to its revival in Thailand. The Cabinet Council, in September, approved the expenditure of three million baht for new machinery for the Government paper factory. The Ministry of Industry's plans to establish a central government printing plant and to start a gunny sack factory were reported to have been approved.

The National Economic Council was said to be considering plans to promote four industries, viz. paper, cotton cloth, spinning, and leather tanning. It was also reported that the Government was obtaining a sugar mill from Taiwan. In September the industry sub-committee of the National Economic Council approved a plan to establish an industrial bank, with a capital of 100 million baht.

*Japan.* Compared with the preceding quarter, there was a slight decrease in pig iron production and a slight increase in the production of steel ingots, the latter reaching a figure of 404,000 tons a month, which is the highest since the end of the war. In both cases production was at a much higher rate than in the corresponding quarter of 1949.

Cement production was over 10 per cent higher than in the preceding quarter and about 25 per cent higher than in the third quarter of 1949. There was a further

rise in production of both cotton yarn and fabrics and this continued a trend which has existed since the beginning of 1949.

## INTERNATIONAL TRADE

### *Trade and exchange controls*

During the quarter trade controls were relaxed in Burma, India, Indochina, Malaya and Pakistan, but tightened in China and Hong Kong. Exchange control was relaxed in Ceylon, as a result of the improvement in its balance of payments position. The United States Government stopped all exports of strategic goods and materials to the Soviet Union and certain adjacent countries, including China. It also tightened controls on shipments to Hong Kong to prevent reshipments to China. The United Kingdom Government in July placed an embargo on oil shipments to China.

In *Burma* import controls were relaxed considerably, owing mainly to an improvement in the balance of trade position in the previous quarter. By Open General Licence No. 4 of 15 July specified varieties of cotton textiles such as long cloth and shirting could be imported freely, provided they were shipped between 15 July and 31 October and were of sterling area origin. The value of goods imported under this Open General Licence up to 28 August amounted to Rs. 3.9 million of which long cloth and shirting accounted for Rs. 2.3 million. With effect from 15 August 1950 medicines from sterling area countries were placed on the Open General Licence provided they were shipped between 15 August and 31 December.

In *Ceylon*, owing to the improvement in the balance of trade and the foreign exchange position, the Government decided to relax restrictions on remittances to persons abroad. Discussions took place on the desirability of abolishing import controls completely, but "the Ceylonization of Trade Committee" submitted a report to the Government recommending that the machinery of import control should be preserved even if import control was abolished. Meanwhile import licences for Japanese goods were issued on the basis of last year's allocation, pending the final agreement between Japan and the sterling area.

With effect from 21 July 1950 the Government levied a new export duty of 15 Ceylonese cents per pound on raw rubber and also increased the export duty on tea from 38 cents per pound to 53 cents per pound. The Government justified the export duty on rubber on the grounds that it was one of the industries which had benefited most as a result of the rise of prices.

The Government withdrew the ban on export of coconut products, although the ban on fresh coconuts remained. New rates of export duties on copra, fresh co-



conuts and coconut poonac were levied, at the rate of Rs. 300 per ton for copra of every kind, Rs. 42 per thousand nuts on fresh coconut, and Rs. 100 per ton on coconut poonac.

In *China* there was a general tightening of trade and exchange controls. State operated companies by the end of the quarter had already taken over about half of China's foreign trade, monopolizing especially the exports of hog bristles and certain metal ores. In imports the State dealt in certain industrial and military equipment and other goods in sufficient quantities to regulate market prices. New regulations were announced to the effect that registered export and import firms which had not done any business up to the end of September were liable to have their trade permits cancelled.

In an effort to increase the supply of foreign exchange the Government tightened allocations for private use, allowing exchange only for essential imports such as machinery and tools, transport equipment, electrical equipment, chemicals, dyes, etc. There was also tightening over the uses to which privately owned currencies could be put. With a view to increasing exports, the People's Government in Peking announced that the tax on exported goods would be refunded. On the other hand, the export of bean cakes was made into a state monopoly and a ban was placed on private exports.

In *Hong Kong* export controls on raw materials such as petroleum products, rubber, tin, lead, copper and tung oil, etc. were tightened. It was also understood that the restrictions would be widened considerably to include some 200 items. Owing to a shortage of cotton supplies which would affect Hong Kong's infant spinning industries, the Government placed a ban on export of raw cotton. It was reported that only three months' supply was in stock.

In *India* the import licensing policy for July/December 1950 was announced, together with the import programme for July 1950 to June 1951 for a substantial number of items. India accepted a cut of 25 per cent in dollar imports for the period July/December 1950, as it was anticipated that she would not be able to maintain the existing volume of trade with the United States. The Import Control Enquiry Committee appointed in June made recommendations for improving the efficiency of the import control organization. Amongst other things it recommended that greater use should be made of Indian shipping, banking and insurance facilities, that existing Open General Licences should continue indefinitely, that only two currency areas, hard and soft, should be used, that licensing procedure should be further decentralized and the granting of licences should be simplified to make

it practically automatic for established traders, and that no changes should be made in the import policy without consultations with interested persons. Meanwhile Belgium and Western Germany were placed in the soft currency area for purposes of import trade control.

Open General Licence No. 18 for hides and skins was extended up to 31 December 1950, and a new O.G.L. No. 20 was issued for the free import of certain raw materials necessary for industrial production. The items which could be imported from any country in the world except South Africa included non-ferrous metals, ball and roller bearings, sewing machine needles, electro-medical apparatus, etc. Later other items such as agricultural tractors and spare parts, textile chemicals, etc. were included. The items which could be imported from soft currency areas included iron and steel electrodes, barks for tanning and dyeing, unexposed cinematograph films, streptomycin etc.

Relaxation on the licensing of imports from soft currency areas took place for wood separators, German silver and nickel silver, coal tar dyes etc. Other items for which import licences were given more liberally included artificial silk yarns, samples and advertising materials and centrifugal pumps. Import licences for bamboo poles against the export of fishing rods, coal tar dyes against the export of processed dyes and rough synthetic stones were also permitted. The import quota was fixed up to 50 per cent of the sums received for exports after 1 July 1950.

There was some tightening of import control. For example, industrial exhaust fans and blowers were excluded from the scope of O.G.L. No. 14, while O.G.L. No. 18 which covered import of certain types of goods from Pakistan as authorized under the trade agreement was suspended, while certain types of diesel engine licences were issued only to established importers.

The Export Advisory Council was reconstituted for a term of two years and it was announced that, among other things, it would discuss at its next meeting on 28 October 1950 the effects of devaluation on India's trade. The Government also took steps to boost India's exports on the recommendations made by a special committee. These included liberalization of export control, regulation of forward contracts and simplification of licensing procedure. On the other hand a ban was placed on the export of raw wool on 7 July 1950, and this also applied to wool waste and the exportation of Tibetan wool. Later it was modified to permit the export of Tibetan wool.

The Government announced that it would license 125 million yards of coarse and medium cloth for export to soft currency areas before the end of the year. This would bring the total quantity allowed for export for the 16 months ending December 1950 to 1,150 million yards.

The licences for the export of fine and superfine cloth, however, were to be issued only for shipment in January/June 1951.

Mainly owing to the rise in prices after devaluation the Government issued a new tariff schedule for imported goods for purposes of customs valuation, to come into effect on 1 July. The items which were increased in value included diesel oil, acetic acid, aniline oil and salts, almonds, etc. The export duty on black pepper was modified so that the maximum which could be collected should not exceed Rs. 120 per hundredweight.

The Government accepted the Tariff Board's recommendation that the fountain pen ink industry should be protected and thus the existing revenue duty of 37.5 per cent ad valorem was converted into a protective duty for a period of three years. The Tariff Board also recommended that the existing protective duty of 30 per cent ad valorem for plywood and tea chests should be continued for a period of three years. The revenue duty of 36 per cent ad valorem on sago globules and tapioca pearls was changed into a protective duty of 45 per cent ad valorem. The Tariff Board was also engaged in reviewing the existing protective duty and subsidy given to the aluminium industry. In order to promote the domestic manufacture of automobiles and trucks the Government had decided some time ago to grant foreign exchange for the import of automobiles only up to 31 December 1950. However, as some long established firms had not yet decided whether they would manufacture automobiles in India or not, the Government decided to continue the present licensing policy until the end of 1952. However, all automobiles imported had to be in a completely or semi-knocked down condition.

In *Indochina* it was decided that, with effect from 9 August, goods entering into the country under any United States aid programme would be admitted duty free, provided they were for use of the armed forces or for free distribution. Permission was also given on 22 August 1950 to permit the temporary entry of aluminium sheets and alloys, provided the finished products were re-exported.

In *Indonesia* the rubber export duty for the quarter was increased by 10 per cent to 34.6 cents per kilogramme, inasmuch as there was considerable fluctuation in the daily rubber quotations in Jakarta. This increase was said to have very little influence.

In *Malaya* it was reported that the Government was considering raising the export duty on rubber to meet defence and emergency expenditure. The existing rate of export duty was 5 per cent ad valorem as imposed many years ago, plus an additional cess levied some time ago. Business people felt that a higher export duty would lead

to a virtual stoppage of trade in rubber, inasmuch as the existing duty had already caused substantial losses to those in the rubber trade. The Government promised that the revised export duty would not be instituted before 1 December, if at all. It was understood that the question of revising export duties on tin or tin ore was also under consideration.

The policy of the Government of Malaya, however, was in general directed towards freeing trade. For example, it was stated that the wheat flour import trade would be returned from government procurement to the free market on 1 September, and also that the Government intended to revert to the commercial procurement of rice from Thailand and Burma as soon as it could be done without endangering adequate supplies for Malayan consumers. On the other hand, the Government announced that it would reimpose stringent trade controls if necessary. The Singapore Government was drafting a new exchange control bill to consolidate the existing regulations covering the purchase, sale and loan of foreign currency and gold, and the importation into Malaya of currency and securities.

In *Pakistan*, when the non-devaluation of the Pakistan rupee was about to be discussed in Paris at the meeting of the Board of Directors of the International Monetary Fund and when it was feared that the Pakistan representative might agree to devalue the Pakistan rupee, much opposition to devaluation was expressed in the Pakistan press, and business circles, including the Federation of Pakistan Chambers of Commerce and Industry, cited facts and figures showing that non-devaluation of the rupee had been very helpful to Pakistan.

The import policy of the Government of Pakistan for the year beginning July 1950 was announced. It included important extensions in the scope of the O.G.L. for hard currency areas, especially for machinery and selected chemicals. For Japan extension included cotton cloth and yarn. The O.G.L. was also extended for many other areas, including all soft currency countries, for various items such as metals, ores and tools, machinery, butter, matches, medicines, dyes, artificial silk yarn and thread etc. It was disclosed that the O.G.L. would continue for a year for these commodities. Licences were to be issued in two periods of six months. For imports from India, cotton seeds, oil cakes, gur, gram etc. were placed on the O.G.L. In order to promote trade a Foreign Trade Development Council was formed and a committee for exports appointed by it. A Pakistan International Industries Fair was held in Karachi during September and October. Licences for the export of raw cotton which expired on 30 June 1950 were extended to 31 July. Various commodities, such as typewriter carriage straps, tubular furniture,

tea, brocades containing silver and gold thread, castor seeds and cakes were placed on the O.G.L. for exports. The Government decided, however, that it would not permit the free export of surplus rice and also temporarily stopped the export of wheat, as a result of damage to private and government stocks caused by the Punjab floods. The Pakistan Government forwarded 25 applications for tariff protection from various industries to the Tariff Commission for consideration.

In the *Philippines* exchange controls continued to be exercised in spite of the request by the Philippines Exporters' Association that business people should be allowed to retain at least 75 per cent of the dollar exchange earned from exports to Japan. Rumours of the possibility of the Philippine peso being devalued were stated by the Central Bank's Monetary Board to be without foundation. The country's foreign exchange position at the end of August, with dollar reserves amounting to \$269 million, was the most favourable since exchange controls were introduced in December 1949.

In *Thailand* the Cabinet Council agreed that there would be a reduction in the percentage of foreign exchange earned on exports of tin which had to be handed over to the Government at the official rate. At that time 40 per cent of foreign exchange from tin exports, whether dollars or pounds sterling, had to be given up. In order to encourage the production of rubber, the Government disclosed that it was very likely to grant foreign exchange at official rates, for the import of coagulants. This would be done either by giving foreign exchange to the Department of Agriculture for the import of formic and acetic acid which could be sold to producers at cost price or by giving foreign exchange to private traders who would have to sell the imports at officially fixed prices. In order to promote the cigarette industry and also to save foreign exchange the Government said it would cut down the import of foreign-made cigarettes. Over a million baht in foreign exchange was being spent on purchase of cigarettes, mostly from the United Kingdom and the United States. On the other hand, however, it was decided to allow the import of non-essential commodities from Japan and the export of rice above the allocated 300,000 tons; both transactions would be outside of the open account. The implication of this was that imports would have to be transacted at the open market rate of 22 baht to a dollar, instead of the open account rate of 20 baht. Japan would also have to pay in dollars for rice purchased in excess of the 300,000 tons. It was also disclosed that the idea of permitting exports of mai yang timber on a quota system had been abandoned. The desired effect of reducing the price of mai yang by imposing the ban had to a certain extent been achieved.

The Customs announced the basic prices for the third quarter on the basis of which export duties would be levied on rice, seeds, rubber and teak. Higher rates of duty were to be placed on luxury imports, as they constituted a drain on foreign exchange. The ban on luxury imports had been lifted in June 1949 because of increased smuggling. In order to increase production of tin and other minerals the Ministry of Industry submitted plans to the Ministry of Finance to abolish the import tax on mining machinery.

In Japan, in accordance with the foreign exchange and trade control law, the exchange budget for private imports for the quarter July-September 1950 was fixed at \$257 million, which constituted a considerable increase over the preceding quarter's imports of \$144 million. Of this amount, \$104 million was earmarked for imports from dollar areas, while \$67.6 million was earmarked for imports of raw and semi-finished materials. Relaxation of import controls was brought about in this budget for the import of rice, bananas and coffee.

#### *Trade Agreements.*

The most important of the trade agreements between ECAFE countries and Japan has been the sterling area-Japan agreement. During the quarter a new agreement, for July 1950 to June 1951, was being negotiated. It was reported that the United Kingdom delegation was in favour of limiting trade with Japan, but other Commonwealth countries, including Ceylon, India, South Africa, Australia and New Zealand, were anxious to expand trade in order to obtain cheap Japanese goods. The United Kingdom appeared to consider that, as Japan has a reserve of nearly £10 million from the trade agreements of previous years, it might accumulate further surpluses. This might intensify Japanese buying activities in south-east Asia, thus increasing the prices which the United Kingdom has to pay for the goods it buys from Malaya and the African colonies. Furthermore, the United Kingdom export market in south-east Asia might suffer from increased exports of cheap Japanese goods, notably textiles.

The Japan-Thailand trade agreement has been operating satisfactorily. In Thailand, licences have been authorized for the import of \$68 million worth of goods from Japan for this year, \$23 million more than the \$45 million provided for in the open account agreement. It is expected that Thailand will have an adverse balance of \$7 million from the present agreement and that this will be settled either by paying cash in dollars or by carrying it over to the next year's agreement.

Rice contracts are the largest among the ECAFE intra-regional trade agreements. Until the end of August, rice exports from Thailand under the agreement with the United Kingdom amounted to 286,000 tons. Total rice exports from Thailand under the agreement were 439,500 tons.

In regard to extra-regional agreements, India renewed its trade agreements with Australia, Czechoslovakia, Germany and Switzerland. A few changes were made in their original provisions. Indonesia renewed the early agreements entered into by the Netherlands with Sweden, Italy, Poland, the United Kingdom, Norway, Denmark, Hungary, Finland and Japan. On account of a virtual standstill in normal trade between India and Pakistan, the latter has tried to expand its

trade with the Middle East and Europe. Pakistan sent a six-man trade delegation to several European countries and concluded trade agreements with Egypt, Australia, Italy, Poland and West Germany. The April trade agreement between India and Pakistan was extended to the end of September. After the expiry of the six-month-old agreement, trade relations again came to a standstill. Pakistan was willing to export 200,000 more maunds of jute to India up to 10 October in exchange for 50,000 tons of coal. However, the Indian Government was said to prefer to wait until the International Monetary Fund had settled the par value of the Pakistan rupee before resuming normal trade with Pakistan. Trade agreements of ECAFE countries, intra-regional and extra-regional, negotiated and/or finalized during the quarter are shown in the Table.

# TRADE AGREEMENTS NEGOTIATED AND/OR FINALIZED IN THE THIRD QUARTER 1950.

## I. JAPAN—ECAFE COUNTRIES

Contracting parties	Period valid	Value of trade and types of commodities	Type of agreement	Remarks
Japan-Sterling area	June 1950-June 1951	Total trade of £186 million. Sterling area's exports include Australian wool and wheat. Malayan rubber etc. Japan's exports include £30 million worth of cotton goods.	Balanced trade under licence.	Negotiation state. United Kingdom negotiating on behalf of all sterling area countries in the Commonwealth except Pakistan. Pending the finalization of this new agreement the old one was extended.
Japan-Ceylon	June 1950-June 1951	Ceylon's imports £5.4 million i.e. Rs. 62 million	Licences.	Participation in the Japanese-sterling area agreement. The amount of imports allocated is almost three times the Rs. 23.5 million available last year. Pending finalization imports under old agreement permitted till 30 September.
Japan-Federation of Malaya	June 1950-June 1951	Federation of Malaya's imports M\$ 36.6 million	Licences.	Participation in the Japanese-sterling area agreement.
Japan-Singapore	June 1950-June 1951	Singapore's imports M\$ 24 million of which textiles will account for 45 per cent, steel and building materials 15 per cent and cement 5 per cent.	Licences.	Participation in the Japanese-sterling area agreement.
Japan-Pakistan	10 October 1950-30 September 1951	Pakistan's exports £ 34.8 million consisting of 300,000 bales of raw cotton, 100,000 to 150,000 tons of wheat, quantities of jute, wool, rock salt, raw hides and skins, cottonseed, cereals and other products. Pakistan's imports £ 34.8 million consisting of textiles, machinery, metals and metal products, chemicals and medicines, paper, cardboard, cork products, rubber goods, wood and wood products and miscellaneous commodities.	Balanced trade under licence.	Signed and concluded on 15 September 1950 in Tokyo. Separate from the Japanese-sterling area agreement, but payment to be made in sterling in accordance with the overall sterling payments arrangement. Present agreement constitutes a three and half times increase over the previous one. Provision also made in the agreement for the supply by Japan of technological services for Pakistan's industrialization programme particularly for cottage industries.
Japan-Taiwan	1 July 1950-30 June 1951	Total trade \$ 100 million. Taiwan's exports consisting of sugar (at least 60,000 tons), rice, fruits, graphite, molasses, alcohol, cedar and pulp. Taiwan's imports, fertilizers (at least 300,000 tons), foodstuffs, cotton textiles, rayon yarn, chemicals and dyestuffs, iron and steel products, machinery, tools and parts, locomotives, coaches, rails, electrical equipment, vehicles and communication equipment.	Balanced trade under licence.	This is the first agreement of the kind between the two countries since the end of war. It was signed on 6 September 1950. Trade to be conducted on an open account basis in dollars.
Japan-Indonesia	1 July 1950-30 June 1951	Indonesia's exports \$ 30 million consisting of raw materials such as copra, crude rubber, palm and other oils, hides and other agricultural products. Indonesia's imports \$ 44.4 million consisting chiefly of textiles, industrial machinery and parts, pottery and porcelainware, metal and metal products, chemicals and drugs, and miscellaneous consumer goods.	Licences.	Trade to be conducted on an open account basis in dollars.
Japan-Philippines	1 July 1950-30 June 1951	Philippine's exports \$ 67.5 million.		This is an increase in trade plan from \$50 million as a result of greater Japanese import requirement since April 1950.



TRADE AGREEMENTS NEGOTIATED AND/OR FINALIZED IN THE THIRD QUARTER 1950—(Contd.)

II. OTHER EXTRA-REGIONAL COUNTRIES—ECAFÉ COUNTRIES

Contracting parties	Period valid	Value of trade and types of commodities	Type of agreement	Remarks
China-East Germany	1 December 1950-30 November 1951	China to export various raw materials in exchange for industrial equipment and materials.	Barter.	
India-Egypt		Egypt to supply India with 60,000 tons of rice, valued at £E 40.68 a ton (approximately \$ 116.75 at the rate of £E equal to \$ 2.87), in exchange for 14,000 tons of jute products, deliveries to be made by December 1950.	Barter.	Signed in September 1950.
Indonesia-Australia	One year.	Value of Indonesia's exports is 4.94 million Australian pounds and that of Australian exports 3.765 million Australian pounds. Chief exports from Indonesia are tea, rubber, coffee, kapok, tobacco and rattan. Chief exports from Australia are wheat, flour, milk products, textiles, metals, machinery, chemicals, paper, stationery and live animals.		Officially announced on 7 September 1950. This is the first trade agreement between the new Indonesian Republic and Australia.
Indonesia-Netherlands	1 October 1950-30 September 1951	Netherlands' exports about 320 million guilders and imports about 435 million guilders.		
Pakistan-Austria	13 July 1950-12 June 1951	Total trade £3.9 million in both directions. The largest items of Austria's exports are to be machinery £250,000; machine tools, instruments, telecommunication equipment and other iron and metal products, £183,000; textile piece goods, £185,000; vehicles (including bicycles), £150,000 and newsprint 1,500 tons. Other exports include wood fibre and paper board, matches, pharmaceuticals, chemicals etc. Pakistan's exports include jute 6,500 metric tons; cotton, 2,200 tons; wheat, 10,000 tons; casings, £75,000; carpet wool, 600 tons; skins, £30,000; fishbone meal, 1,000 tons; chromium ore, 500 tons; tea, 50 tons; cotton-seed cakes 2,000 tons; various commodities £20,000.	Under licence. All payments arising from this agreement are to be made in pounds sterling through Austrian account in the United Kingdom, or through other accounts mutually agreed upon.	Signed on 13 July 1950. This is the first official trade agreement between the two countries. Subject to the approval of the two governments. Both nations grant each other most-favoured-nation treatment in custom duties, taxes and charges on imports or exports, in international transfer of payments and in customs regulations and formalities, etc.
Pakistan-Egypt		Pakistan's exports include 4,000 tons of raw jute and 200,000 tons of wheat and tea, hides, caustic soda and toys. Egypt's exports include raw cotton, cotton yarn, woollen, silk and rayon textiles and hardware.		
Pakistan-West Germany	1 July 1950-31 September 1950.	Pakistan's exports to be increased from \$21 million to \$30 million for a three months period; the increased exports include cotton, jute, dried fruits and oilseeds. The value of Germany's exports is to remain unchanged.		An extension of the 1949/50 agreement.
Pakistan-Italy	1 July 1950-30 June 1951.	Total trade is to amount to £25 million in both directions. Pakistan's exports include 40,000 tons of raw jute (£4 million), 40,000 tons of raw cotton (£26 million), 1,000 tons of raw wool (£100,000), 8,000 tons of cotton-seed (£175,000), 600 tons of saltpetre (£150,000), 100 tons of tea (£50,000), and raw hides, horns, chromite, etc. Italy's exports include £2 million cotton yarn, 10,000 tons of jute tissues and sacks, costing £1.7 million, and machinery, motor cars, bicycles, steel, chemical products, dyeing and tanning materials, etc.	Balanced trade, payment in pounds sterling.	
Pakistan-Poland	1 July 1950-30 June 1951.	Value of Pakistan's exports is £6,135,000 and value of Poland's exports £6,975,000. Pakistan's exports include cotton £3.8 million, jute, rice, tea, hides and skins etc. £1.65 million. Poland's exports include coal £4.7 million, textiles £754,000, metallurgical products £463,000, matches £450,000, food products, £377,000, chemicals £100,000, glassware £90,000, miscellaneous commodities £41,000.	Under licence, the period of validity of licences to be not less than three months.	Signed on 5 July 1950. A renewal of 1949/50 agreement.
Thailand-U.K.		Thailand exports 464,500 metric tons of rice to sterling area countries.		



### III. ECAFE INTRA-REGIONAL TRADE AGREEMENTS

Contracting parties	Period valid	Value of trade and types of commodities	Type of agreement	Remarks
Burma-Ceylon	1950/51	Burma to supply 300,000 tons of rice which will cover the greater part of Ceylon's rice requirements in 1951. Delivery to begin December 1950. All deliveries under the agreement signed in March 1950 to be completed by November.		Signed on 10 August 1950.
Burma-Indonesia		Burma to sell 150,000 tons of rice at £240 per ton.		Signed in September 1950.
India-Indonesia	October 1950-30 June 1951	Total value of trade in both directions, 74 million Indonesian guilders. India's exports to include textiles, chemicals, pharmaceutical products, iron and steel products and machinery. Indonesia's exports to include palm oil, copra, tapioca, maize, spices, wood, hides, tin and other commodities to the value of 37 million guilders.		
India-Pakistan	1 August 1950-30 September 1951	An extension of the April trade agreement, as Pakistan had only supplied about half of the raw jute up to the end of July. A few new articles are included: magnesium chloride and ready-made garments from India to Pakistan, and kapok, bamboo and rock salt from Pakistan to India without licence. Free movement both way of herbs, crude drugs and indigenous medicines also allowed.		

#### General Pattern of Trade

Available information from eleven countries of the region indicates that the value of total trade in national currencies during the third quarter of 1950 was greater than that of the previous quarter and also of the corresponding quarter of 1949. There was, however, a decrease in Indonesia, Japan and Thailand. In Indonesia the decline, compared with the previous quarter, was more apparent than real as it was mainly due to a change in the method of valuation. In Japan trade during the quarter, although less than in the previous quarter, was still more than in the corresponding quarter of 1949.

The increase in trade was due to an increase in both exports and imports in the case of North Borneo, Hong Kong, India, Indochina, Malaya, and Pakistan, while it was due to an increase of exports in Ceylon. The decrease in value of trade in Thailand was due to a decline of both exports and imports, while in Japan it was due to a decline in imports.

**Exports.** Increases in exports over those of the previous quarter and the corresponding quarter of 1949 were registered in all countries, except Burma, Indonesia and Thailand. In North Borneo there was an increase over the previous quarter but no information is available for the corresponding quarter of 1949. The increase of exports was a continuation of the trend in the previous quarter.

**Imports.** Imports were greater than in the previous quarter and in the corresponding quarter of 1949 in Burma, Hong Kong, Indochina, Malaya and the

Philippines, while in India and Pakistan they were only greater than in the previous quarter. Decreases in imports took place compared with both the previous quarter and the corresponding quarter of 1949 in Indonesia and Japan, while in Ceylon the decrease was only over the previous quarter.

#### Balance of Trade

In as much as positive balances of trade during the quarter were registered in more countries of the region than negative balances, it seems that the region is again regaining its pre-war pattern of having positive balances of trade in order to pay for invisible imports. Of the countries registering positive balances of trade as indicated in the Table below, there was in all of them, except Burma, either an increase in the amount of the positive balance or a positive balance emerged as compared with a negative balance in both the previous quarter and the corresponding quarter of 1949. A year ago only three out of ten countries in the region had positive balances, while in the quarter under review seven of these countries had positive balances. In the case of Burma the positive balance, though below that of the previous quarter, was still above that of the corresponding quarter of 1949. In Burma the smaller positive balance was due to the fact that imports increased considerably while exports decreased. In North Borneo, Hong Kong and Malaya the improvements were due to exports increasing at a faster rate than imports, while in Ceylon and Japan the improvements were due to an expansion of exports coupled with a decline of

imports. In Indonesia the improvement in the balance of trade might partly be due to the change in the method of valuation.

Negative balances of trade were registered only in India, Indochina and Thailand. In India the negative balance was much smaller than that of both the previous

quarter and the corresponding quarter of 1949, as exports increased at a faster rate than imports. In Indochina it was about 65 per cent greater than in the previous quarter while slightly over the corresponding quarter of 1949. Thailand's negative balance was the first to be registered for many quarters.

# INDICES OF VALUE OF EXTERNAL TRADE

(1948 = 100)

	IMPORTS				EXPORTS				TOTAL			
	1949		1950		1949		1950		1949		1950	
	III	I	II	III	III	I	II	III	III	I	II	III
North Borneo ... ..	...	129	171	186 <sup>a</sup>	...	192	228	300 <sup>a</sup>	...	163	202	247 <sup>a</sup>
Burma ... ..	74	68	58	100	79.4	52	138	110	77	59	103	105
Ceylon ... ..	89	95	133	124	106	118	137	165	98	107	136	146
Hong Kong ... ..	157	164	158	173	176	169	192	263	165	166	173	212
India ... ..	105	72	95	99	93	137	91	117	100	101	94	108
Indochina ... ..	192	148	144	229 <sup>a</sup>	86	112	97	151	157	136	128	203
Indonesia ... ..	152	101	315	138	138	162	431	361	145	130	370	245
Japan ... ..	138	139	144	117	199	223	278	326	155	162	180	174
Korea, South ... ..	53	55 <sup>p</sup>	...	...	50	156 <sup>p</sup>	...	...	52	64	...	...
Malaya ... ..	95	117	134	179	91	130	148	262	93	123	141	220
Pakistan ... ..	125	68	76	110	58	103	124	138	94	84	98	119
Philippines ... ..	77	68	63	140 <sup>p</sup>	79	85	93	...	78	74	74	...
Thailand ... ..	122	160	158	141	114	185	161	110 <sup>p</sup>	118	174	159	124

Notes: a = average of July and August.  
p = provisional.

# BALANCES OF TRADE

(Monthly average in million units of national currency)

Countries having favourable balances of trade in the third quarter of 1950		1949 quarters		1950 quarters		
		III	IV	I	II	III
North Borneo	(M\$)	...	...	+ 2.1	+ 2.1	+ 3.5 <sup>a</sup>
Burma	(Rs.)	+ 13	— 2	— 4	+ 58	+ 19
Ceylon	(Rs.)	+ 15	+ 20	+ 20	+ 5	+ 36
Hong Kong	(HK\$)	— 36	— 25	— 57	— 16	+ 53
Indonesia	(Fl)	— 24	— 24	+ 45	+ 76	+ 183
Malaya	(M\$)	— 7	+ 8	+ 17	+ 17	+ 119
Pakistan	(Rs.)	— 73	— 10	+ 24	+ 34	+ 18
Japan	(US\$)	— 36	— 15	— 31	— 22	+ 4
Countries having unfavourable balances of trade in the third quarter of 1950.						
India	(Rs.)	—152	+ 10	+ 159	—116	— 39
Indochina	(Pr.)	—295	—299	—182	—188	—312 <sup>a</sup>
Thailand	(Baht)	+ 16	+ 38	+ 80	+ 43	— 18 <sup>p</sup>

Notes: a = Average of July and August.  
p = provisional

## TRADE IN SELECTED COMMODITIES.

*Rice.* The monthly average of rice exports from Burma, Thailand and Indochina during the quarter was 235,400 tons, which was 20 per cent. below that of the previous quarter, but 46 per cent above that of the corresponding quarter of the previous year. This indicates an improvement in the over-all rice export position, because the third quarter of each year is usually a slack period in comparison with the second quarter. In each of the countries also the exports of the quarter were below the previous quarter and above that of the corresponding quarter of 1949. Burma shipped 1,000 tons of rice as a gift to India to meet the food shortage in some of the areas affected by floods.

A rice conference was convened by the United Kingdom in Singapore during September, consisting of representatives of eight rice importing countries, namely North Borneo, Ceylon, Hong Kong, India, Indonesia, Pakistan, Sarawak and the United Kingdom, with representatives of the United States and Australia attending as observers. It was learned that SCAP proposed purchases from Burma and Thailand for 1950 of 800,000 tons. Furthermore it was reported that Burma would be able to export during 1950 only about 600,000 to 1,000,000 tons, of which Burma had already agreed to export 300,000 tons to Ceylon.

There were indications that the price of rice in the forthcoming year might increase. For example, in Burma the State Agricultural Marketing Board sold about 100,000 tons of rice of the 1949/50 Burma rice crop, largely recovered from the insurgent held areas, through tender from private agencies instead of on contract to foreign countries, and thus obtained £6 to £12 more per ton, even though the quality had somewhat deteriorated owing to exposure for nearly seven months. Despite this the Burma Government asked the Economic Council to enquire into the slow-down of rice sales abroad following the decision by the Japanese Government to import 60,000 tons of rice from Egypt rather than from Burma. In Thailand, however, the Government reduced the price of 100,000 tons of Grade A1 broken rice from £32.18.9d. to £27.16.3d. for the A1 special and from £31.9.9d. to £27.6.3d. for the A1 ordinary, in order to attract overseas buyers. Thailand, by the end of the quarter, had not yet sold its 1950/51 exportable surplus, even though many countries were reportedly showing an interest in purchasing it.

In Ceylon a compromise was reached between shipping lines and local food authorities over the proposal to raise freight charges of rice from Burma. The companies had reduced their freight rates in 1949 but

had expressed their intention to raise their rates to earlier levels. Although the Government had made a saving in the rice subsidy on this account, an additional sum of Rs. 6.5 million was requested to subsidize rice and flour as the budget provision of Rs. 36.7 million had almost been spent. This additional sum was requested as a result of the rise in prices.

*Vegetable oils.* The monthly export of vegetable oils (consisting of copra and coconut oil, palm kernels and oil, ground nuts and oil) during the quarter from North Borneo, Ceylon, Hong Kong, India, Indochina, Indonesia, Malaya, the Philippines, Sarawak and Thailand was 112,400 tons which was 45 per cent above that of the previous quarter and 17 per cent above the corresponding quarter of 1949, mainly because of the considerable increase of exports of copra and coconut oil from Ceylon and the Philippines and of palm kernels and oil from Indonesia. The increase in copra and coconut oil exports from the region was owing to the increased demand which also brought about a rise in prices. The exports of this commodity from Ceylon during the quarter expanded considerably as it was the copra and coconut oil exporting season. Pakistan was becoming Ceylon's second biggest buyer of this commodity, especially as the non-devaluation of the Pakistan rupee was believed to be in favour of buyers in that country. In the Philippines the export of copra and coconut oil increased rapidly and was almost double that of the previous quarter. The main buyers from the Philippines continued to be the United States, Japan, Belgium and Italy. It was fortunate for the Philippines that the increase in demand for copra and coconut oil coincided with the season of greatest productivity in the Philippines. There were, however, certain problems such as the shortage of steamer space which might advance freight rates from time to time. Exports of copra and coconut oil from Indonesia during the quarter were, however, considerably reduced mainly owing to the unrest in certain parts of Indonesia, particularly the Celebes. Meanwhile the Government planned to increase production of copra through the study of the economic conditions of the industry by a newly appointed Copra Commission.

*Tea.* The total monthly export of tea from Ceylon, India, Indochina, Indonesia, Pakistan and Japan during the quarter was 71 million pounds and was 40 per cent above that of the previous quarter but 6 per cent below that of the corresponding quarter of 1949. The increase of tea exports compared with the previous quarter was mainly because India had doubled its exports. Ceylon

by the end of August had shipped 34.7 million pounds of tea which represented about one-third of the 1950/51 tea contract.

The British Government on 26 July 1950 announced the decision to reopen the London Tea Market in April 1951. This market had been closed for the last ten years. Rationing, price control and subsidy arrangements were to continue in Britain in spite of this reopening. It was stated that the subsidy would be "injected" only after the auctions took place so that the price at the London auctions would be comparable to prices in other tea-markets. An Indo-Ceylon conference was held in September to decide the allocations of tea for export to Great Britain. It was agreed between the two countries that India would export about 250 to 275 million pounds of tea to England, thus leaving 200 to 230 million pounds for disposal at Calcutta and Cochin. Ceylon agreed to export only 100 million pounds of tea under the tea contract to the United Kingdom, plus an additional 30 million pounds to be sold outside of the tea contract, thus leaving about 200 million pounds for sale in Colombo. The purpose of the agreement was to permit the United Kingdom to satisfy its own import requirements for tea through the London auctions and at the same time to leave sufficient quantities of tea in India and Ceylon to permit the development of local tea markets. During the conference due regard was also given to the fact that on account of freight charges it would be cheaper to ship directly to consumers in Europe and America but that there were physical limitations on the handling of the entire output in the two countries.

It was reported that Shanghai tea exporters had contracted for the shipment of more than 30,000 cases of tea during July and August. Pakistan was faced with the price difficulty in promoting exports of tea, as owing to the non-devaluation of the Pakistan Rupee the cost of Pakistan tea in sterling was much above the world price. Although Pakistan is a relatively small producer, tea constitutes about 12 per cent of its total exports to the United Kingdom.

*Rubber.* The total monthly export of rubber from British Borneo, Burma, Ceylon, Indochina, Indonesia, Malaya and Thailand during the quarter was 163,000 tons, which was 24 per cent above that of the previous quarter and 37 per cent above that of the corresponding quarter of 1949. Malaya's export of rubber increased during the quarter and in July reached 63,100 tons, which was the largest amount in a single month since 1937. It was reported that the Soviet Union had doubled its purchases of rubber from Malaya since the out-

break of the Korean war and that it obtained about three-fifths of its total requirements from that country. China was also buying Malayan rubber via Hong Kong. Hong Kong's rubber imports from Malaya until May averaged slightly more than HK\$ 2 million, while in June and July they jumped to about HK\$ 7 million monthly. Largely as a result of this, the United States proposed an embargo on the export of rubber to the Soviet Union and efforts were made to set up international machinery for the purchase, sale or barter of rubber along the lines of the International Board for the disposal of wheat. This proposal was objected to by trade circles in Ceylon who considered that the withdrawal of Russia from the rubber market would cause an immediate drop in price. In Penang, however, a number of rubber exporters were instituting a self-imposed ban on the sale of rubber to the Soviet Union,

The price of rubber during the quarter fluctuated by as much as 50 per cent not only during the quarter but even in the same month. However, the boom in rubber seemed to be continuing at the end of the quarter. This fluctuation occurred with changes in the Korean war situation, plans for the production of synthetic rubber in the United States, strikes in rubber plantations in Malaya, export duties in Ceylon, purchases of rubber from Russia, and stockpiling by the United States. For example, the imposition of a 15-cent per pound tax on the export of rubber in Ceylon during July caused the price of sheet rubber to drop by 11 Ceylonese cents a pound immediately. In Ceylon the price of rubber rose to Rs. 2.40 a pound in early August and after fluctuating uneasily it dropped to Rs. 1.30 a pound towards the middle of the month. This fall was supposed to be due to new restrictions on the non-governmental use of natural rubber in the United States. At the beginning of September, however, owing to the receipt of news from Korea the price again began to rise. This was also supported by the delay in the settlement of strikes of the Malayan rubber plantation workers. The price of rubber in Singapore around the middle of September reached M\$1.58 a pound. As a result of the fluctuations, difficulties arose in financing the purchase of rubber, and traders also cut down the percentage of their money advances to dealers.

The United States synthetic rubber industry was placed on a capacity production basis towards the end of the quarter, which would amount to approximately 821,800 tons annually. This was mainly due to the report of the Senate Military Preparedness Subcommittee set up by the Senate Armed Services Committee. Among other things, it recommended an intensive programme for stockpiling of natural and



synthetic rubber to meet problems precipitated by the Korean war. In Thailand a rubber trade association was formed with the object of promoting natural rubber trade, protection against fraudulent practices and the establishment of a reliable reputation for the members of the association.

*Tin.* Total monthly export of tin in concentrates from Burma, Indonesia and Thailand was 3,500 tons during the quarter, which was the same as that of the previous quarter, but nine per cent above that of the corresponding quarter of 1949. The monthly export of tin metal from Malaya during the quarter was 8,300 tons, which was 17 per cent above that of the previous quarter and 89 per cent above that of the corresponding quarter of 1949. The price of tin fluctuated in the same way as that of rubber, owing to changes in the Korean war situation. At the beginning of the quarter the export price of tin in London was around £620 per ton. However, the price began to rise partly because of the warning given by the British Ministry of Supply that dealers should not depend upon the Ministry for supplies, and the highest level reached was in the middle of August when it touched \$838 per ton in London. However, the boom collapsed after a few days and by the 20th of the month the price had fallen to \$744 per ton. This was due to an unexpected quantity of about 65 tons coming to the market, and the inability on the part of the market to absorb this quantity without exaggerated effects on prices indicated its weakness. Toward the end of September, however, the price again rose to around \$800 a ton in London.

An inter-governmental tin study group sponsored by the United Nations was held between 25th October and 21 November to enquire into the methods of inter-governmental co-operative action, as it was realised that a tin surplus or shortage was likely to occur. The conference had before it "the Paris draft" which provided for the creation of a buffer stock to maintain equilibrium in the market. However, details of prices were not discussed. The conference merely concluded that there was need for inter-governmental co-operative action and that conditions justified a further conference.

*Raw cotton and cotton textiles.* Exports of raw cotton from India and Pakistan during the quarter amounted to 21,000 tons, which was 25 per cent below that of the previous quarter. However, compared with the corresponding quarter of 1949, they were more than double, mainly because of the extremely low exports from Pakistan in that quarter. The increase of exports in this quarter was mainly from Pakistan, where cotton exports for the season ending August 1950 were at an

all-time record. Japan was the principal customer among the hard currency areas and Hong Kong the biggest importer among the soft currency countries. There was a deadlock in the cotton trade at Karachi following the decision of the Karachi and the Pakistan Cotton Association to close the market, which was necessary because many traders and shippers could not meet their obligations as they were not receiving their supplies from ginneries or from the zamindars in the interior. This was obviously due to the unprecedented rise in cotton prices. Japan was supposed to buy the major portion of its raw cotton requirements from the United States.

The total monthly export of cotton piece goods from Hong Kong, India and Malaya during the quarter reached 102 million metres, which was 16 per cent above that of the previous quarter and was 232 per cent of the exports of the corresponding quarter in 1949. Japan's exports of cotton piece goods during the quarter were 77.4 million square metres, which was slightly below the previous quarter, but about 60 per cent above that of the corresponding quarter in 1949 when exports were especially low. The demand for textiles from Japan for countries of south and south-east Asia continued unabated and this brought about a doubling in the price of cotton cloth. In fact, difficulties were experienced by certain countries in obtaining supplies. In Thailand it was reported that the textile merchants planned to form their own association in order to remedy the existing chaotic situation of the textile market.

#### PRICE MOVEMENTS

There was an inflationary tendency in the region as a whole during the quarter under review, as revealed by a rise in the general price level in most countries, mainly as an indirect result of the Korean war and world rearmament. The cost of living index rose in Burma, Ceylon, India, Malaya, the Philippines, Viet-Nam and Japan while it remained stable in Hong Kong, compared with the preceding quarter. Food prices rose in Burma, Ceylon, India and the Philippines, following closely the general cost of living index. In Japan food prices rose only slightly, while in Indonesia they declined. The wholesale price index, so far as information is available, showed a substantial rise in India, Viet-Nam and Japan. In Thailand, although the cost of living index fell slightly, there was a slight rise in the wholesale price index. The Korean hostilities affected price levels in Japan and the Philippines both directly and indirectly.

In Japan the wholesale price index which had remained stable in the preceding two quarters, rose by eleven per cent during the quarter. Prices of metals and metal products and textiles rose more rapidly than the



prices of other groups of commodities. Associated with the rising prices was the expansion of monetary supply which reflected an increase in expenditure and income in relation to production. Both currency in circulation and bank clearings increased substantially. In the Philippines it was reported that inflation was threatening the country's economy. This was mainly due to the inflationary tendency in the United States, which has very close economic relations with the Philippines, and to the strict import control. Essential goods such as rice, milk, sugar, coffee, meat, canned food, butter, cotton piece goods and other imported commodities, were reported to be in short supply. Both retail and wholesale prices in Manila and in the provinces showed a steadily rising trend. The Price Administration Board appealed to the public to observe the official price ceilings of prime articles and foodstuffs, but in many cases it was impossible to enforce them. Merchants reportedly appealed to the Government to revise upwards the controlled prices of many essential items which were established about two months before. In addition to the rising prices, import controls were reported to have caused partial or complete closing of some firms, thus aggravating unemployment. Partial or total lifting of import controls may be offered by the Cabinet as a solution to the serious inflation. Monetary factors also contributed to the rise in prices. Both currency and deposit money increased in the quarter as compared with the preceding quarter.

The stock-piling of essential raw materials, such as rubber and tin, mainly by countries outside the region, has caused a continuous rise in prices in the exporting countries. In Malaya prices continued the rising trend which has been in evidence since the beginning of 1950. During the quarter the favourable balance of trade increased from M\$ 17 million in the first and second quarters to M\$ 119 million in the third quarter. The total value of trade increased by 40 per cent as compared with the preceding quarter. The expansion of trade was mainly due to the considerably increased purchase and the rising prices of rubber and, to a lesser degree, of tin. In order to finance the expanded trade, currency and credit had to be expanded and income and expenditure were inflated accordingly. The index of currency in circulation which had only fluctuated in the preceding four quarters between 101 and 103, jumped to 115 in the third quarter (1948 = 100). In Ceylon, the favourable balance of trade also increased considerably, from Rs. 5 million in the second quarter to Rs. 36 million in the third quarter. This had a considerable influence on the general price level. The cost of living index rose from 102 in April to 109 in September (1948 = 100). The monetary factor, however, seemed to have only slight effects on prices, as there was only a very small increase in currency in circulation, de-

posit money and bank clearings. Indices of wholesale prices and cost of living are not available for the other major rubber and tin exporting country, Indonesia. However, the considerable increase in the favourable balance of trade and the substantial rise in prices of major export commodities must have caused an upward movement in the general price level. The monetary factor in Indonesia was neutral as, although currency in circulation expanded, it was more or less counterbalanced by a decline in deposit money compared with the preceding quarter, but in comparison with the corresponding quarter of 1949 it had a slight upward influence as the increase of currency was much greater than the decline in deposit money.

The rising prices and increased exports of raw materials also caused a rise in prices in the smaller rubber and/or tin exporting countries such as Viet-Nam and Thailand. In Viet-Nam, the wholesale price index rose from 115 and 114 in the preceding two quarters to 130 in the third quarter, mainly because of the considerable rise in prices of raw materials, the index of which was 197 in the third quarter, as compared with 140 in the preceding quarter (1948 = 100). However, the cost of living index in Viet-Nam rose less than the wholesale price index. This moderate rise can be attributed to the large unfavourable balance of trade financed by foreign aid. In Thailand, although there was monetary expansion, the cost of living index fell in the third quarter. It seemed that the monetary expansion was mainly associated with the rise in wholesale prices while the fall in the cost of living index was mainly associated with the unfavourable balance of trade, as many cost-of-living items are imported commodities. The wholesale price index also contains export commodities, among them some important items, such as rubber and tin, the prices of which rose considerably.

In Burma, the general price level reversed the falling trend since the corresponding quarter in 1949, mainly as a result of monetary expansion. During the quarter the index for deposit money and bank clearings rose. Furthermore, the ratio of cash and balances held by commercial banks at the Union Bank of Burma to total deposits during the quarter was only 28 per cent as compared with 30 per cent in the previous quarter and 49 per cent in the corresponding quarter of 1949. This expansion of money supply was probably mainly due to increase of trade as a result of the restoration of transport facilities in the previous quarter. Normally the third quarter of each year in Burma is more or less a slack period, especially with reference to rice.

In India the cost of living index which was around 101 and 102 during the last four quarters rose to 106 in August (1948 = 100). The wholesale price index rose

from 107 in the last quarter to 114 in this quarter (1948 = 100). Two factors accounted for the rise — a substantial reduction of the unfavourable balance of trade and the decrease in production. The index of industrial production fell from 105 in the last two quarters to 103 in this quarter (1946 = 100) while the unfavourable trade balance was reduced from Rs. 116 million in the second quarter to Rs. 39 million in the third quarter. However, there was a slight contraction in currency in circulation during the quarter and no change in deposit money and bank clearings, as compared with the preceding quarter. The monetary factor appeared to be neutral.

Hong Kong, as an entrepôt, is in a special position in regard to price movements. The cost of living index was about the same in this quarter as in the preceding quarter although the balance of trade turned from unfavourable to substantially favourable and bank clearings were approximately 50 per cent greater than in the previous quarter and the corresponding quarter of 1949. It seemed that the large increase in bank clearings was connected largely with speculative financial transactions due to the Korean war which had little effect on the cost of living index in the short period. The stable cost of living index might be explained by the stable currency circulation.

### PRICE INDICES (1948 = 100)

	1949		1950					
	III	IV	I	II	III	July	Aug.	Sept.
Burma (Rangoon) a ...	149	122	116	113	121	125	123	116
Ceylon (Colombo) a ...	98	101	104	103	106	105	105	109
Hong Kong a, d ...	113	120	122	115	116	...	...	116
India (Bombay) a ...	101	102	101	102	...	105	106	...
India b ...	105.3	105.8	106.2	107.2	111.4	110.4	111.5	112.4
Indonesia (Djakarta) c ...	89	101	105	118	111	116	108	108
Japan (Urban) a ...	141	134	131	125	129	127	130	130
Japan b ...	166.7	171.2	177.4	178.0	196.7	189.1	198.3	202.7
Malaya (Kuala Lumpur) a ...	93	94	94	97	...	100	103	...
Philippines (Manila) a ...	93	91	92	89	...	91	91	...
Thailand (Bangkok) a ...	92	95	98	102	97	96	97	97
Thailand (Bangkok) b ...	93.3	91.1	90.1	93.8	96.4	96.0	96.0	97.2
Viet-Nam (Saigon) a ...	124	121	121	122	127	125	127	128
Viet-Nam (Saigon) b ...	130	127	115	114	130	122	132	136

a. Cost of living.  
b. Wholesale prices.

c. Food prices.  
d. Last month of each quarter.

### INDICES OF CURRENCY, DEPOSIT MONEY CLEARINGS (1948 = 100)

Countries	Currency				Deposit Money				Bank Clearings			
	1949	1950			1949	1950			1949	1950		
	III	I	II	III	III	I	II	III	III	I	II	III
Burma ...	...	...	...	...	119	111	117	129	91	78	89	96
Ceylon ...	102	104	109	111 <sup>a</sup>	111	106	110	104	109	131	132	133 <sup>a</sup>
Hong Kong ...	107	103	103	103	...	...	...	...	136	127	137	204
India ...	88	92	95	90	88	85	84	84	86	95	91	91
Indochina ...	...	...	...	...	115	140	135	140	...	...	...	...
Indonesia ...	112	126	134	146	86	140	93	82	...	...	...	...
Japan ...	83	88	87	91	144	161	164	...	231	278	317	348
South Korea ...	140	209	...	...	207	226	...	...	203	273	...	...
Malaya ...	101	101	103	115	...	...	...	...	...	...	...	...
Philippines ...	102	111	112	117	98	91	97	100	95	77	83	...
Thailand ...	111	118	121 <sup>b</sup>	...	105	93	93	102	141	174	175	214

a = July only  
b = April and May only

# THE ECONOMIC RECLASSIFICATION OF GOVERNMENT BUDGETS AND ACCOUNTS

## INTRODUCTION

Governments today plan an active rôle in determining the level of employment of economic resources of the community. This they do indirectly through the operation of their central banks, but a more potent instrument of economic policy is the budget. In countries with a planned economy or where private savings and investments are small, governments also play an important rôle in long term investment to increase productive capacity. This paper attempts to show how alternative sets of accounts can be prepared from the conventional form in which budgetary proposals are set out, so as to secure a better appraisal of their economic significance. Without such an appraisal planning may be misguided and control over the budget may be incomplete.

The question of reform in budgetary presentation is not confined to academic circles. The United Kingdom Government recently set up a Committee on the form of Government Accounts. Their report was published in June 1950. The need for some scheme of reclassification was also recognized by the 73rd session of the Council of the International Chamber of Commerce on 13 and 14 June 1950. In a Resolution adopted at that time the Council urged governments "to set in hand a study of the principles which should govern their accounting and to consult with other governments through the machinery of the United Nations with a view to the formulation of agreed principles and recommendations for the adoption of those principles by all governments."

The conceptual and procedural questions in budgetary reclassification have been outlined in an internal working paper (Introduction to Budgetary Classification Problems) prepared by the Fiscal Division of the United Nations. The outline of classification in this article is the ECAFE Secretariat's contribution to the growing literature on this subject. The issues involved are so complex, and the various interests that have been proposing reform have such divergent needs, that an enquiry of this character can hardly offer a definitive and precise solution.

## THE PURPOSE OF ECONOMIC RECLASSIFICATION

For purposes of maintaining full employment, or for economic planning or for taking overall decisions on economic policy, the modern administrator needs to know the magnitude of the government's operations, the distribution of transactions between enterprises and the ordinary functions of government, how much the government receives and spends at home and how much abroad, the magnitude of the government's current expenditure and capital formation, and how government spending is financed. Finally, the administrator requires an answer to the overall question: Of what magnitude is the differ-

ence between the government's total receipts and total payments and how is the gap bridged? The accounts as set out here attempt to provide an answer to all these questions.

## COMPREHENSIVENESS

The reclassification of accounts as developed in this paper aims to meet the first requirement of modern budgeting that *all governmental programmes should lie within the scope of the reclassification.*

Besides the traditional functions of law and administration the governments of the present day engage in industrial and business activities directly or through special boards created for the purpose. The reclassified accounts take into consideration all such enterprises operated by the government or government-sponsored agencies. In addition, the governments set apart special funds and accounts (such as road funds) to meet specific purposes. All such special accounts have also been accommodated in the outline of reclassification.

## EXPENDITURE CLASSIFICATION

### *Segregation of Capital and Current Accounts*

Perhaps the most important distinction in expenditure classification is that between current and capital outlay. Governments in some countries are already publishing separate capital budgets. Current expenditure refers to the purchase of goods and services which are expected to be consumed within the budget year; capital outlay represents goods of a longer life expectancy. The capital transactions, therefore, should include all expenditures which add to the governments' assets. There are at least three reasons for the segregation of capital expenditure. First, the volume of real assets acquired by a government is an important guide to its public debt policy. Thus, productive enterprises may be financed by an increase in its public debt. Secondly, capital expenditures very often involve long-run contractual obligations extending beyond the immediate budget year. A separate listing of capital expenditures helps to focus attention on the control of these long-term obligations. Thirdly, a measurement of government investments separated from government outlays for goods and services which are consumed within the accounting period is essential in all resources development programmes to plan the rate of construction and gauge performance under the plan. This is imperative also for ascertaining the scope and operation of controls to secure economic stabilization or development.

### *Classification of capital accounts*

Classification of expenditure as capital involves a number of distinctions within the capital account itself if it is to reflect information necessary for the measurement of national income and preparation of related estimates required for an overall economic analysis. Where a go-

vernment agency such as a public undertaking invests in the securities of the central government, the consolidated capital account should cancel such intra-governmental transactions. The total capital expenditures of the government should measure only capital expenditures vis-a-vis the non-governmental sector. Secondly, there is need to distinguish between capital formation in newly produced assets from acquisition of assets already produced or claims on these assets which the government acquired from the non-governmental sector. The former add to the capital formation of the community; the latter do not. As regards the acquired assets, a distinction ought to be made between real assets and financial assets. The acquisition of financial assets may be described as lending. Lending may be purely a financial transaction or it may be for the purchase or creation of assets by the borrower. On the payments side in the capital account lending refers only to lending for capital outlay. Outright grants for capital outlay are also included in the capital account under a separate category.

Purely financial transactions such as lending or repayment of national debt, on the other hand, have been allocated to the receipts side as negative borrowing. All the borrowings of the government have been taken on a net basis. Similarly, various banking transactions of the government have also been taken on a net basis.

An important distinction often made in the capital budgets of governments is between revenue producing and "unproductive" capital outlays. One method of classification would simply eliminate all non-revenue producing outlays from the capital account, restricting the concept of "capital" to income producing assets. This method has the advantage of a reasonably unambiguous criterion of distinguishing "capital" and "current" expenditures. The extreme advocates of this method would exclude all outlays for defence, for roads and construction of public buildings. It appears, however, that for purposes of adequate measurement of governments' gross investments certain types of non-revenue producing but service rendering assets should be included in the capital account. Thus, expenditures on public roads and buildings although they do not typically produce an annual revenue might properly be regarded as adding to the nation's productive assets. They are therefore included in the capital account. All national defence outlays are, however, excluded from the capital account, regardless of the life expectancy of the military assets acquired. This is because their future service value to the community is uncertain. Unfortunately, no precise criteria for separating current items is possible once the "revenue-producing" requirement is abandoned. With the solitary exception of capital assets acquired for defence, distinction is made between

current and capital expenditures on the basis of life expectancy: current expenditures are those the products of which are consumed within the accounting period; expenditures with a longer life expectancy are classed as capital. Even this raises quite a few problems. It is difficult to measure the life expectancy of the effects of education, health improvement measures, etc. Such nation-building social welfare activities should properly be classed as capital expenditures. These are, however, classed as current expenditures; the term capital is, therefore, restricted to tangible assets whose service life expectancy stretches beyond the accounting period.

It is also important to be able to obtain an estimate of net investment of the government as distinguished from gross. This is important for government debt policy since net investment and not gross investment provides a possible justification for public borrowing. In most of the budgets as at present available, it is not possible to break down gross capital expenditure into maintenance and net capital formation. Only in a few cases do we get separate statistics of maintenance expenditure. In the reclassified accounts, therefore, the maintenance estimates are described as ascertainable maintenance. The balance of maintenance is included under capital expenditure.

#### *Classification of current account.*

The classification of expenditure on current account makes a distinction between economic payments and transfer payments. This distinction is of importance for national income calculation. Broadly, economic payments are made in respect of some economic good; either for service, or for rent, or for capital, or for sale or supply, etc. Transfer payments, in social accounting terms, are payments with no corresponding direct economic return in goods and services rendered. Typical instances include payments to war veterans or subsidies aiming at the stabilization of prices.

The economic payments are sub-divided according to five main classifications of governmental functions; viz., tax collection, civil administration, defence, economic development and social improvement. The limitation that this is sub-classification of only economic payments in current expenditure should be noted. Thus the total expenditure on economic development would definitely be greater as some of it will be capital expenditure; similarly, total expenditure on social improvement will also be greater on account of some of it being included in transfer payments. As mentioned above capital expenditure on defence is considered as current expenditure.

Each category of economic payments is further classified into wages and salaries, other factor payments



(interest, rent) and purchases of goods. Where it is not clear to which category the expenditure item belongs or if it is a composite item which cannot be broken down, these are allocated to a further sub-classification item, "unallocable." Transfer payments are sub-divided according to recipients. These are other governmental bodies, such as states and local governments (contributions and grants), to private enterprises (subsidies), to persons (scholarships, pensions, bad debts), and to institutions (grants to schools, hospitals, etc.). Following the conventions adopted in social accounting, interest on national debt, or dead-weight debt, is also classed as a transfer payment. Transfer payments may be considered as the re-distributive transactions of the government.

#### RECEIPTS CLASSIFICATION.

Most government budgets separate current revenues and borrowings into two accounts, which are called the ordinary and the ways-and-means budgets. Countries which prepare separate capital budgets give borrowing figures in the capital budget. Practical considerations behind meeting financial obligations seem to suggest that this distinction is arbitrary. In many countries the rule that government expenditure on capital account should only be undertaken to the extent that the governments are able to borrow appears to be breaking down. The governments of the present day have found it hard to conform to this injunction. Expenditures on defence have been met from borrowing even while they do not lead to capital formation. On the other hand, where governmental borrowing is very meagre, governments have drawn upon heavy profits from monopoly trading or large surpluses on current account to finance their capital expenditures. It appears unrealistic to make a distinction between current account receipts and capital account receipts. All receipts are, therefore, considered together and the distinction between current and capital is made only in respect of expenditures.

The receipts of the government are divided between revenue and net borrowing. The term revenue refers to receipts in respect of which there is no corresponding obligation to repay. Revenue is sub-classified into tax revenue (direct and indirect taxes); non-tax transfers (such as fines, private contributions); earnings (income from sales, service income such as fees and income from property, such as rents, income from forests, interest on loans); and transfer from enterprises (profits and other appropriations to revenue). The distinction between direct and indirect taxes is fairly well-known in public finance. The distinction between earnings and other receipts is important for national income calculation; earnings are economic payments made by the public to the government; the remaining government receipts are transfer payments.

#### ACCOUNTS RECLASSIFIED FOR ILLUSTRATION.

In the following pages the current budget of the Government of the Union of Burma has been reclassified in order to illustrate how such economic accounts can be drawn up.<sup>1</sup> Similar reclassification has also been attempted for Hong Kong, India and the Philippines. These studies are available in a Report presented to the seventh session of the Economic Commission for Asia and the Far East at Lahore in February 1951.

The observations below are made after accepting one limitation, viz. that no information is used other than what is already available in the published document accompanying the budget; in this case, the Budget Estimates of the Government of the Union of Burma. This causes a few theoretical inconveniences but the advantage of a constructive practical approach implied in its acceptance outweighs any disadvantages. Nevertheless, the paper points out certain difficulties that arise in the compilation of the reclassified accounts and suggests measures designed to make the working out of such accounts more accurate. These suggestions are in no way intended as a criticism either of the contents or of the presentation of the budget.

#### SEPARATION OF DOMESTIC FROM FOREIGN TRANSACTIONS.

For studying the impact of budget proposals on the price level in an economy it is necessary to break down all receipts and payments into domestic and foreign. A budget can be a surplus budget taking all receipts and payments into account. But if the payments at home exceed receipts in home currency, the budget is likely to lead to an upward pressure on prices unless there are other off-setting factors at work elsewhere in the economic system. From the budget documents at present available it is difficult to separate domestic receipts and payments from foreign receipts and payments. In the case of Burma (and India and Pakistan) only one classification is maintained: viz., sterling receipts and payments, accounts for which are maintained in London. Inadequate as they are the results indicate that the Burma Government's home receipts were expected to approximate Rs. 529 million (Item 37), while the Government's home payments were to reach the large sum of about Rs. 924 millions (Item 50). This means that by itself the Budget was likely to be inflationary. This may, however, not be a cause for alarm as most of Burma's important exports are of rice and are on Government account. The inflationary effects

<sup>1</sup> The Government of Burma had for some time felt that a clear picture of the overall economic implications of the budget proposals was necessary as an aid to national planning. Recently a member of the ECAFE Secretariat reclassified the current budget of the Union Government on lines here indicated. The Secretariat is indebted to the Government of Burma for permission to reproduce statistics from his report. The Government of Thailand has also requested a similar reclassification of its budget.



of these exports may be offset by an import surplus on private account. A complete appraisal requires the information on the amount of exchange purchased and sold by the central bank.

If foreign receipts and payments on government account are clearly distinguished from receipts and payments at home it will serve two purposes: first, it will give an idea of the impact of the Budget on the price level; and second, it will help in the construction of a statement on the balance of payments. The latter may also be incorporated into the budget documents.

#### SEPARATION OF TRANSACTIONS WITH THE PUBLIC FROM INTRA-GOVERNMENTAL TRANSACTIONS.

The Government budget as presented has to be pruned of all inter-departmental or intra-governmental receipts and payments before a statement can be obtained of the Government's receipts from and payments to the public, both on enterprise account and government account. It is also necessary to distinguish payments made to local authorities. One of the difficulties in doing this is that government transactions of this nature are not in general clearly classified. Thus, for instance, the omnibus description "payments to Governments, departments, etc." in the Budget of Burma (and also of India and Pakistan) contains such diverse elements as payments to a foreign (Indian) Government (Marine, for Dufferin cadets), payments to State Governments (Civil Works, for works executed by State Governments), payments to local bodies (Defence to Port Commissioners for charges on account of pilotage and buoys), payments to government enterprises (Customs, commission paid to Posts and Telegraphs on customs duty collected on inward parcels), or inter-departmental payment (General Administration, payment from Kachin State ministry, a Department of the Union Government to Shan State Ministry, another Department of the Government). This is true of most of the budgets as at present constructed. The reclassification would be greatly improved if a clear statement was available in respect of all such payments, distinguishing between foreign governments, state governments, local authorities, government enterprises, public utilities and government departments. The payee should be clearly named, and the purpose for which the payments are made also be stated. This observation also holds true for all items included under receipts.

Another item causing inaccuracy in the estimation of transactions net of intra-governmental payments is that we have to take all the revenue of the railways and other nationalized enterprises as from the public. That is not true. In Burma the railways also earn revenue from defence, from boards like the Agricultural Market-

ing Board, and the State Timber Board, and from government officials and others travelling on official purposes. All these would be intra-governmental payments. This is a common feature of the budgets of many governments. Possibilities of remedying this defect might be considered.

#### CONCEPT OF BUDGET SURPLUS.

The difference between revenue and current expenditure may be considered as the current surplus (or deficit, if it is negative) of the government. This in practice works out at a very different figure from the conventional budget surplus or deficit. When it is remembered that before the war a deficit or a surplus of a few million units of currency was a serious matter, the superficial discrepancies may often appear startling.

#### ADVANTAGES OF THE PROPOSED SETS OF ACCOUNTS.

The scheme of classification as outlined in this paper secures the following advantages:

(a) *Distinction between enterprise and non-enterprise transactions.*

This has obvious reference to the role of the government in the economic system.

(b) *Distinction between current and capital expenditure.*

The accounts as set out here distinguish capital items which are included in the revenue accounts of the budgets. On the other hand, it sifts out from capital budgets and ways-and-means accounts items which are not capital from the economic point of view. Thirdly, purely banking transactions of the Government are separated from transactions which lead to the acquisition or construction of real assets. Even in the countries which prepare separate capital budgets this mix-up is often the result of the blurred line of demarcation in public accounts between current expenditure and capital expenditure, which have been commonly accepted, however inadequately from the economists' point of view, in business accounting. In public accounts strict definitions have often been compromised for the sake of expediency. The reclassification of expenditure between current and capital, therefore, presents a very thorny problem in applied economics.

(c) *Distinction between internal and external receipts and payments.*

From the budget documents at present available it is unfortunately not convenient to separate domestic from foreign receipts and payments. It is desirable that this distinction should be made in all government accounts. It is important for ascertaining the impact of the government budget on the price level and for the construction of a statement on the balance of payments.

(d) *Distinction between economic and transfer payments.*

This distinction, while useful for social accounting purposes, reduces the usefulness of expenditure classifica-

tion in so far as the classification of economic payments is functional, while the classification of transfer payments is according to recipients. Thus, the expenditure under social welfare in a budget gets broken down into direct economic payments and grants, but grants may be to institutions or to persons in the form of scholarships. The advisability of making also a functional classification of transfer payments is at present under the consideration of the Secretariat.

*(e) Distinction between factor payments and purchases.*

The government's activities as purchaser of goods are distinct from its functions as an entrepreneur employing factors of production. In this particular connection, payments for the employment of persons are distinguished from payments of rent or interest. It is unfortunate, however, that in not many cases is it possible to obtain a clear breakdown.

*(f) Summary provided of the overall cash position.*

The reclassification poses the fundamental question behind all budget examination: How far is the overall government expenditure expected to be met from revenue and borrowing from the market, and how far is the government counting on receipts from borrowing from the central bank and from a fall in its cash balances? No satisfactory answer, however, can be provided so far as budgets are concerned, since central banks do not forecast their annual transactions as do governments, nor do governments admit at budget time their intention to borrow from the central banks. The scheme of reclassification, however, when applied to accounts for previous years, admits their tying up with the balance sheets and profit and loss accounts of the central banks. This has been attempted by the Secretariat in the study on India. A study of the magnitude of the government borrowing from the central bank and a fall in its cash balances is essential to consider their probable influence on the price level in the economy.

*(g) Accounts fit in easily within social accounting categories.*

These accounts set out transactions in a form which easily lends itself to categories of interest in the compilation of an economic budget of the community as a whole; namely, national income and related estimates. The governments of various countries have already prepared official estimates of their national incomes. This is a result of the realization by these governments that their fiscal measures require for their proper appraisal a complete picture of the nation's budget on the basis of which the finance minister can present the government budget. If this is accepted, a scheme as above would be helpful to bring the government budget also into line with that of the nation.

## CONSTRUCTION OF ACCOUNTS OF OTHER PUBLIC AUTHORITIES.

Only in respect of the Burma budget of 1950-1951 has it been possible to include accounts of the Governments of Shan, Kachin and Karenni States, budgets for which are included with the Union budget for the current year. For reasons of space only the totals for the States have been given. For India, it would have been too unwieldy a task for the Secretariat. However, such a classification of the budgets of the states composing a federal government is of particular importance to countries like India. Attention directed only to the Central Government accounts and budgets over-emphasises some expenditures, as on defence, which are the sole responsibility of the central government, while they underestimate expenditure on social services which falls within the purview largely of the state governments.

Finally, it should be possible to prepare on lines here indicated statements on the enterprise, current and capital transactions projected by local authorities, including port authorities. The suggested outline of accounts may also provide a framework on which these budgets may be classified. It would then be possible to prepare a consolidated statement of the central, states and local authorities' budgets. This would give a comprehensive picture of the magnitude and composition of the projected outlay of the entire public authorities sector. Evaluation of the budgetary policies aimed at attaining price stabilization or any other objective, can be properly made only after taking into account the projected outlays and finances of all public authorities. Otherwise the lone efforts of the central government might well be offset by reverse actions of other public authorities. It is suggested that standardization of accounts on similar lines would help each sector of public authorities to appreciate the tendencies inherent in the actions of others and would help the public to appraise the cumulative effect of them all.

## CONCLUSION.

To conclude, this paper indicates the general outlines of alternative sets of economic accounts applicable to all public authorities which, if adopted, may prove useful to secure an appraisal of the economic significance of their projected outlays better than is available from their conventional presentation. In the appended accounts the inclusion or exclusion of an item in a particular pigeonhole is a matter sometimes of a borderline decision, and it is not improbable that revisions may be suggested both in respect of contents and classification. The appended tables may, therefore, be taken as provisional.

## ACCOUNT A.

## Burma: Government Enterprises.

(Rs. Lakhs)

RECEIPTS	HOME		ABROAD	Total	PAYMENTS		HOME		ABROAD	Total
	Union Government	States					Union Government	States		
1. Operating and non-operating receipts										
a. From the public	19.24		47.60	66.84	Operating and non-operating expenses		2.67		..	2.67
b. From local authorities	2			2	a. Payments to the public		2.69			2.69
c. From Government	77			77	(i) Wages and salaries		37.29		25	37.54
Total	20.03		47.60	67.63	(ii) Factor payments		4.33		2	4.35
2. Transfers from the Government					(iii) Purchases					
a. Grants	4.47			4.47	(iv) Unallocable					
b. Advances	4.47			4.47	Total		46.98		27	47.25
Total	8.94			8.94	b. Transfers to the public		4			4
3. Receipts not included in the Budget	22			22	c. Payments for interest and services to the Government		2.24			2.24
					Total operating and non-operating expenses		49.26		27	49.53
					6. Ascertainable maintenance expenditure					
					(i) Wages and salaries		35		..	35
					(ii) Factor payments		1.97		..	1.97
					(iii) Purchases		8		1	9
					(iv) Unallocable		1.31		..	1.31
					Total		3.71		1	3.72
					7. Capital formation					
					a. Construction of assets					
					(i) Purchases		28		14	42
					(ii) Unallocable		4.66		—	4.66
					Total		4.94		14	5.08
					b. Acquisition of assets		—			—
					c. Increase in stock		7			7
					d. Less Sale of assets		—10			—10
					Total capital formation		4.77		14	4.91
					8. Net lending		19			19
					9. Transfers to the Government					
					a. Appropriation to revenues		15.09			15.09
					b. Repayment of advances		65			65
					Total		15.74			15.74
					10. Disposals not included in the Budget		1.15			1.15
4. Total receipts	24.72		47.60	72.32	11. Total payments		74.82		42	75.24

**ACCOUNT B.**  
**Burma: Government.**  
(Rs. Lakhs)

RECEIPTS	HOME		ABROAD	Total	PAYMENTS		HOME		ABROAD	Total
	Union Government	States	Union Government				Union Government	States	Union Government	
12. Tax revenue from the public					<i>Current Account</i>					
a. Direct taxes ... ..	5.01	1	..	5.02	21. Economic payments					
b. Indirect taxes ... ..	19.78	7	..	19.85	a. Direct demands on revenue					
Total ... ..	24.79	8	..	24.87	(i) Wages and salaries...	1.98	11	..	..	2.09
13. Non-tax transfer from the public ... ..	13	1	..	14	(ii) Other factor payments	11	2	..	..	13
14. Earnings					(iii) Purchases ... ..	4	—	..	..	4
a. Sales ... ..	15		..	15	(iv) Unallocable ... ..	9	1	..	..	11
b. Service income ... ..	83	3	..	86	Total ... ..	2.22	14	1	..	2.37
c. Income from property ... ..	1.49	17	..	1.66	b. Civil Administration					
Total ... ..	2.47	20	..	2.67	(i) Wages and salaries...	7.86	44	18	..	8.48
15. Transfers from enterprise account					(ii) Other factor payments	95	5	8	..	1.08
a. Payment for interest and services ... ..	2.24			2.24	(iii) Purchases ... ..	1.15	4	20	..	1.39
b. Appropriation to revenues ... ..	15.09			15.09	(iv) Unallocable ... ..	97	11	15	..	1.23
c. Repayment of advances ... ..	65			65	Total ... ..	10.93	64	61	..	12.18
Total ... ..	17.98			17.98	c. Defence					
16. Payments by other public authorities					(i) Wages and salaries...	6.20		13	..	6.33
a. State Governments ... ..	2			2	(ii) Other factor payments	52		2	..	54
b. Local authorities ... ..	9			9	(iii) Purchases ... ..	2.75		6.43	..	9.18
Total ... ..	11			11	(iv) Unallocable ... ..	1.57		7	..	1.64
17. Contributions					Total ... ..	11.04		6.65	..	17.69
a. From Union Government	—	1.74		1.74	d. Economic Development					
b. From States and State Chiefs ... ..	—	26		26	(i) Wages and salaries...	51	6	..	..	57
Total ... ..	45.48	2.00		47.77	(ii) Other factor payments	4	1	3	..	8
18. Total revenue ... ..					(iii) Purchases ... ..	6	2	2	..	10
					(iv) Unallocable ... ..	70	7	1	..	78
					Total ... ..	1.31	16	6	..	1.53
					e. Social Improvement					
					(i) Wages and salaries...	2.90	37	..	..	3.27
					(ii) Other factor payments	8	2	..	..	10
					(iii) Purchases ... ..	24	7	—	..	31
					(iv) Unallocable ... ..	34	7	2	..	43
					Total ... ..	3.56	53	2	..	4.11
					f. Payments to Government enterprises ... ..	77				77
					g. Payment to local authorities ... ..	16	1			17
					h. Payment to Union Government ... ..		2			2
					i. Payment to State Governments ... ..	1				1
					j. Less unallocable inter-departmental payments	—12				—12
					Total economic payments	29.88	1.50	7.35		38.73





# ACCOUNT C.

Burma: Overall cash position of the Government vis-a-vis the public at home.

RECEIPTS	Union	States	TOTAL	PAYMENTS	Union	States	TOTAL
32. Operating and non-operating receipts of government enterprises, and receipts not included in the Budget	19,46		19,46	43. Operating and non-operating expenses of government enterprises and disposals not included in the Budget	48,17		48,17
33. Tax revenue ...	24,79	8	24,87	44. Current expenditure of the Government			
34. Non-tax transfers from the public and revenue earnings ...	2,60	47	3,07	a. Economic payments ...	28,94	1,50	30,44
35. Total revenue ...	46,85	55	47,40	b. Transfer payments ...	2,15	10	2,25
36. Net borrowing from the public ...	6,01	57	6,58	Total ...	31,09	1,60	32,69
37. Total receipts at home ...	52,86	1,12	53,98	45. Ascertainable maintenance expenditure			
38. Receipts abroad ...	47,60		47,60	a. Government enterprises	3,71	46	3,71
39. Total receipts ...	1,00,46	1,12	1,01,58	b. Government ...	2,08	46	2,54
40. Net borrowing from the Central Bank ...	—		—	Total ...	5,79		6,25
41. Fall in cash balances				46. Capital formation			
a. As budgeted	2,97	—38	2,59	a. Government enterprises	4,77	63	4,77
b. Correction for over-estimation of interest to be received from Railway Board	20		20	b. Government ...	3,02	63	3,65
				Total ...	7,79		8,42
				47. Net lending and suspense accounts ...	—75		—75
				48. Reserve at the disposal of the Finance Minister ...	30		30
				49. Probable savings ...	—	—24	—24
				50. Total payments at Home	92,39	2,45	94,84
				51. Transactions between Union and State Governments ...	1,73	—1,73	—
				52. Transactions with Local Governments (net) ...	65	2	67
				53. Payments abroad ...	8,86		8,86
42. Grand Total ...	1,03,63	74	1,04,37	54. Total payments ...	1,03,63	74	1,04,37

# ITEM NOTES

Lakh = 100,000  
 .. = less than Rs. 50,000.  
 — = nil.

## UNION GOVERNMENT

1. a. Receipts from the public by Railways, Irrigation, Posts and Telegraphs, for jail manufactures, for sale of Civil Supplies, for provision of electricity; and the receipts of Inland Water Transport Board, State Timber Board and State Agricultural Marketing Board. All the receipts of State Agricultural Marketing Board are assumed to be from abroad while all the other receipts, except interest on Depreciation Reserve Fund "B" Account of the Railways, are assumed to be earned in Burma.  
 b. Receipts by the Electricity Supply Department in respect of street lighting.  
 c. Receipts by the Posts and Telegraphs for service stamps, interest on Renewals Reserve Fund, from Customs, from Broadcasting, for savings work, for weather telegrams; receipts by Union Bank for interest on Reserve Fund, for Debt work and for exchange control; and receipts by Road Transport Board from Defence on account of traffic and job earnings and sales of vehicles, tyres and tubes, stores and equipment and the sale of Base Workshop.
2. b. Advances received by the State Timber Board and the Burma Railway Board.
3. Balancing items in respect of pro-contra debits in respect of contribution to Revenue of profits of the Union Bank of Burma, Central Procurement and Marketing Board and the Rangoon Electric Supply and Tramway Company and interest and repayment of advances paid by Rangoon Electric Supply and Tramway Company.
5. a. Payments made by the Railways, Posts and Telegraphs, Civil Supplies, Electricity Supply Department, Inland Water Transport, Road Transport, State Timber Board and the State Agricultural Marketing Board; and the cost of jail manufactures.  
 b. Mainly in respect of loss of cash and stores, compensations, pensions, evacuation expenses etc. paid by Railways and Posts and Telegraphs.  
 c. Payment for interest, audit, pensions, stationery and printing, civil works and for Civil Departments' share of unified stamps by Posts and Telegraphs; payments for interest on capital and on Lease Lend Loan, railway police and stationery by Railways; payments for royalty on timber, interest, pensions and audit by State Timber Board; payment for interest by Inland Water Transport and payment for pensions and audit by other Boards; payment for interest by the Rangoon Electric Supply and Tramway Company.
6. Maintenance expenditure by the Railways charged to working expenses; expenditure from the Railway Depreciation Reserve Fund; expenditure for maintenance by the Irrigation Department, Posts and Telegraphs, Electricity Supply Department, State Timber Board, and State Agricultural Marketing Board; expenditure from the Posts and Telegraphs Renewals Reserve Fund.
7. a. Capital construction by Railways, Irrigation, Posts and Telegraphs, Electricity Supply Department, State Timber Board and State Agricultural Marketing Board.  
 c. Stores suspense of Railways, Irrigation Department, Civil Supplies; and the fall in stock of the State Timber Board.  
 d. Sale of stores on Railway Capital and Rehabilitation account and Depreciation Reserve Fund account.
8. Net advances to contractors by State Timber Board.
9. a. Profits of the Union Bank of Burma, Central Procurement and Marketing Board and Rangoon Electric Supply and Tramway Company; customs duty paid by the Civil Supplies Department, State Timber Board and State Agricultural Marketing Board; and Rehabilitation contribution by State Agricultural Marketing Board and State Timber Board.  
 b. Repayment of advances by Rangoon Electric Supply and Tramway Company, the Inland Water Transport and the Road Transport Boards; and payment by Railways towards repayment of United States Lease Lend Loan.
10. Balancing items in respect of the credit to the Depreciation Reserve Fund of the Railways minus expenses chargeable to it; contribution by the Railways to Provident Fund; interest received by the Union Bank on its Reserve Fund and the amount received for debt management and exchange control; balance of income less expenditure of Inland Water Transport and Road Transport Boards and net profits of State Agricultural Marketing Board.
12. a. Taxes on income, Thathameda and house tax.  
 b. Customs, Excise Duties, State Lottery, Land Revenue, Excise, Stamps, Commercial taxes, Betting tax and licence fees on import of gold and import licence fees included in Miscellaneous revenues.
13. Unclaimed prizes in State Lottery, assignments and compensations under Land Revenue, fines under Excise, Stamps, Justice, Police, Forests; sale of unclaimed property under Justice, contributions under Medical and unclaimed deposits under Miscellaneous.
14. a. Sale of books, medicines, sera and vaccines, radios, maps, Government publications, waste paper, stores and equipment under Defence, Industries and sale at cost of relief supplies.  
 b. Licence fees of fishing implements and record room receipts under Land Revenue; registration fees, motor vehicles tax; court fees under Justice; receipts of Jails; Police receipts; Marine receipts; Light house receipts; and income from services and fees under Education, Medical, Public Health, Veterinary, Co-Operative and Aviation; Immigration fees; licence fees for Broadcasting; registration of Accountants, Examination fees; Inspection of steam boilers; Registration of Joint Stock Companies; and Partnerships; registration of births, deaths etc., service income under Civil Works, printing receipts; naturalization and passport fees and fees of the Custodian of Property and other miscellaneous service receipts.  
 c. Petroleum revenue; mining royalties; rent of leased fisheries; royalty on rubber; income from forests; interest income; rents under Civil Works; income from the hire of Government Motor Vehicles; hire of radios and incomes received by Military Engineering Service under Defence on account of rent from property.
15. a. Same as 5 c.  
 b. Same as 9 a.
16. a. Recovery from Shan States for prisoners in Burma and receipts in respect of stationery and printing and civil works.  
 b. Receipts under Land Revenue, Civil Works, Stationery and Printing; Interest paid by Municipalities and Port Commissioners; Receipts by Marine in payment for local lights.
19. Recovery of pre-evacuation advances; repayment of United States Lease Lend Loan; payments towards commutation of pensions; net increase in sale of Treasury Bonds; net increase or decrease in Post Office Savings Bank deposits, Post Office cash certificates, saving certificates, Provident funds, Post Office cash certificates bonus fund, savings certificates bonus fund, departmental and judicial deposits, repayable advances and loans to agriculturists and co-operative societies.
21. a. Land revenue; Customs; Excise; Taxes on Income; State Lottery; Excise; Stamps; Registration; Forests; and Other Taxes.  
 b. Parliament; General Administration; Audit; Justice; Jails; Police; Marine; Lighthouses; External Affairs; Immigration; Rent Control; Administration of the Viniseya Htana Act, 1949; Fire Services; Remittance of treasures; Stationery and Printing; Durbars; Books and Periodicals; Special commissions of enquiry;  
 Independence day anniversary celebration; Unforeseen Charges; Custodian of Property; Motor Transport; and Pre-evacuation liabilities in respect of pay.  
 c. Expenditure included in Defence Estimates less paid to Marine and Road Transport and advances to Ordnance Workshop Board.  
 d. Expenditure on Timber Research Branch, Scientific Departments, Agriculture, Veterinary, Co-operatives, Grow-More-Food campaign, Industries, Aviation and Registration of Accountants and Joint-Stock Companies; contribution to Rehabilitation Board and payment of annual subscription to the Rubber Study Group, London.  
 e. Expenditure under Education, Medical, Public Health, Inspection of factories, Labour, Inspection of Steam Boilers, Vital Statistics, Broadcasting, Census, and Evacuee Welfare.  
 f. Same as 1 c.  
 g. Payments to Port Funds under Customs, Marine and Defence; to local bodies for maintenance of communications.  
 j. Payments made to Stationery and Printing, to Posts and Telegraphs for service stamps, to Civil Works and for ex-Army and CAS(B) stores.
22. a. Transfer to Rangoon Corporation under Motor Vehicles Tax; Medical and Public Health contributions; rates and taxes and miscellaneous contributions to local bodies; and payment of pre-evacuation liabilities in respect of Local Fund treasury balances.  
 b. Contributions to the revenues of Shan, Kachin and Karenni States.  
 d. Subsidies for paddy cultivation; grants-in-aid for exhibitions under Agriculture and Industries; and grants for industrial development mainly to cottage industries.  
 e. Interest on Rupee Debt; Savings Bank deposits; State Provident Funds; and interest under Section 18A, Burma Income Tax Act.  
 f. Assignments and compensations under Land Revenue; stipends, scholarships and unrecovered advances to students under Forests, Marine, Education, Medical, Public Health, Veterinary and Industries; bad debts; pensions; expenses towards funeral of Buddhist monks; net grants of relief supplies; and compensations for disabled men.

- g. Discretionary grants under General Administration; and grants under Jails, Education, Medical, Public Health, industries; general religious contribution under Miscellaneous.
24. a. Net payments on loan account to Municipalities, District Councils and Deputy Commissioners' Local Funds.
- b. Same as 2 b.
25. Net receipts in Cash Balance Investment Account, Departmental and similar Accounts and Other Suspense Accounts.
26. Maintenance expenditure under Forests, Marine, Lighthouses, Scientific Departments and Civil Works.
27. a. Expenditure on buildings and other works under Forests, Police, Education, Agriculture, Aviation and Civil Works; Aviation Capital Outlay; additions to plant and machinery under Stationery and Printing; and expenditure from the National Development Fund.
- b. Purchase of boats under Customs; acquisition of land under Land Revenue; purchase of livestock, tools and plant under Forests; furniture grant to the President; stockpiling of medicines; and expenditure on stores, tools and plant under Broadcasting.
- c. Stores suspense under Forests, Marine, Lighthouses and Civil Works.
- d. Sale of government estates and waste lands under Land Revenue; vessels and stores under Marine; old stores and materials and motor vehicles under Miscellaneous Departments and Miscellaneous.
28. 26 plus 27.
32. 1 a plus 3.
33. Same as 12.
34. 13 plus 14.
36. Same as 19.
38. Same as 1 a.
43. 5 a plus 5 b plus 10.
44. a. 21 a plus 21 b plus 21 c plus 21 d plus 21 e plus 21 h plus 21 i.
- b. 22 d plus 22 e plus 22 f plus 22 g.
45. a. Same as 6.
- b. Same as 26.
46. a. Same as 7.
- b. Same as 27.
47. 8 plus 25.
48. Same as 30.
51. 22 b less 16 a.
52. 21 g plus 22 a plus 21 a less 1 b less 16 b.
53. Payments on enterprise account and government account plus repayment of United States Lease Land Loan and towards commutation of pensions included in 19.

#### STATES GOVERNMENTS

##### SHAN

12. b. Excise and Stamps revenue.
13. Fines in respect of Forests, Justice, Police and Excise; and contributions under Medical.
14. a. Sales of stationery.
- b. Receipts under Registration, Motor Vehicles Act, Justice; Police; Education; Medical; Veterinary; Co-operatives; Naturalization; passport and copyright fees; and Miscellaneous receipts.
- c. Mining royalties; income from Forests; Agricultural receipts; and receipts from rents.
16. a. Receipts from Kachin and Karenni State in respect of Justice, Veterinary and Motor Transport.
19. Contribution for pensions, recovery of pre-evacuation advances; net advances to cultivators and government servants; net increase or decrease in provident funds, local funds; civil deposits and civil and special advances.
21. a. Excise; Forest; Registration and motor vehicles.
- b. State Council; General Administration; Justice; Police; travelling allowance of officials and non-officials attending durbars; cost of books and periodicals; Miscellaneous Durbar Charges, Miscellaneous Unforeseen charges; Custodian of Property, Government Motor-Transport and Pre-evacuation Liabilities.
- d. Expenditure on Geological survey, Agriculture, Veterinary, Industries and Co-operatives.
- e. Expenditure on Education, Medical, Public Health and Evacuee Welfare and Relief.
- h. Payment to Union Government in respect of Shan prisoners, and Stationery and Printing.
22. f. Scholarships and stipends under Education, Forests, Medical Public Health, Agriculture and Veterinary; Pensions; Evacuee Relief supplies and free grants of forest produce; and pre-evacuation liabilities in respect of Pensions.
- g. Grants under Education, Medical, and Public Health; contributions under Miscellaneous.
26. Maintenance expenditure under Forests and Civil Works.
27. a. Works expenditure under Forests, Jails, Agriculture and Civil Works.
- b. Acquisition of land under agriculture and tools and plant under civil works.

33. Same as 12.
34. 14 plus 17 b.
36. Same as 19.
11. Surplus on ways and means account less deficits on revenue account and on loans and advances by government.
44. a. 21 a plus 21 b plus 21 d plus 21 e.
- b. 22 f plus 22 g.
45. Same as 26.
46. Same as 27.
51. 17 a less 21 h.
52. Same as 22 a.

##### KACHIN

12. a. Land revenue in lieu of capitation tax and thatamedata tax.
- b. Excise, Stamps and Land Revenue.
13. Fines under Forests, Justice and Excise.
14. a. Sale of jail manufactures.
- b. Receipts under Registration, Motor Vehicles Act, Court fees, Police, Education, Medical, Land Revenue, Jails and Miscellaneous receipts.
- c. Mining royalties, income from forests, Agriculture, rents and Civil Works.
20. a. Land revenue. Excise; Stamps; Forests; and Registration.
- b. State Council; General Administration; Justice; Jails; Police; Rewards for destruction of wild animals; Miscellaneous Durbar Charges; Government motor transport; and Pre-evacuation liabilities in respect of pay.
- d. Scientific Departments, Agriculture, Veterinary, Co-operative and Industries.
- e. Expenditure under Education, Medical, Public Health and Evacuee Welfare.
- g. Payments to Local authorities in respect of maintenance of communications.
- h. Payment to Union Government in respect of Stationery and Printing.
- i. Payment to Shan State Government in respect of Justice, Veterinary and Motor Transport.
22. a. Transfers to Local authorities in respect of Medical, Public Health and contributions under Miscellaneous.
- f. Scholarships and stipends under Education, Medical, Agriculture, Veterinary, Industries; Pensions; grant of supplies and free forest produce to evacuees; Pre-evacuation liabilities in respect of pensions.
- g. Discretionary grants under General Administration, grants under Education, Medical and Public Health and contributions under Miscellaneous.
26. Maintenance expenditure under Forests and Civil Works.
27. a. Works expenditure under Forests, Civil Works and Agriculture.
- b. Acquisition of tools and plant under Civil Works.
33. Same as 12.
34. 13 plus 14.
41. Deficit on Revenue account plus deficit on account of net loans and advances by Government.
44. a. 21 a plus 21 b plus 21 d plus 21 g.
- b. 22 f plus 22 g.
45. b. Same as 26.
46. b. Same as 27.
51. Same as 17 a.
52. Same as 22 a.

##### KARENNI

13. Fines in respect of Justice.
14. a. Sale of medicines.
- b. Fees under Education.
- c. Income from Rents and Forests produce.
21. a. Land Revenue and Forest.
- b. Legislature, General Administration, Justice, Jails, Police, Miscellaneous and Unforeseen Charges, cost of books and periodicals and Government Motor Transport.
- d. Expenditure under Agriculture, Veterinary and Industries.
- e. Expenditure under Education, Medical, Public Health and Evacuee Welfare.
- h. Payment to Union Government in respect of Stationery and Printing.
- i. Payment to Shan State Government in respect of Justice.
22. a. Contributions to Local authorities under Miscellaneous.
- f. Scholarships and stipends in respect of Education, Public Health, Veterinary and Industries; and supplies for Evacuee Relief and Welfare.
- g. Grants in respect of Education.
26. Maintenance expenditure under Forests and Civil Works.
27. a. Works expenditure under Agriculture and Civil Works.
- b. Acquisition of tools and plant under Civil Works.
34. 14 plus 17 b.
44. a. 21 a plus 21 b plus 21 d plus 21 c plus 21 g.
- b. 22 a plus 22 f plus 22 g.
45. b. Same as 26.
46. b. Same as 27.
51. Same as 17 a.



# THE FISHING INDUSTRIES OF ASIA AND THE FAR EAST<sup>1</sup>

The fishing industries of Asia and the Far East<sup>2</sup>, although of very great importance to the region as a whole, are as variable in their importance to each country as they are in their development. The region includes one of the greatest, if not the greatest fishing nation of the world and of all time, and some of the nations least developed in respect of fisheries, as well as some of the most neglected fishing resources. The expression "neglected resource" denotes not only the ostensible magnitude of the resource and the prospective production of an industry which would exploit it, but also the relative importance which the added production would have in the economy of the country concerned.

The industry of the region possesses certain features which distinguish it from the fisheries of other regions. These include as positive features the magnitude of its labour force, the importance of the subsistence operations, and the remarkable intensity of operations in certain regions. As negative features may be noted the mechanical inefficiency of much of the equipment and the almost complete absence of modern fish-handling equipment.

For this industry in particular a discussion of the economic aspects presupposes effective recognition of the principal features of the exploited resources and the main outlines of the chief sections of the industry. This necessary descriptive material will therefore precede the discussion of the economy proper.

## NATURAL RESOURCES

With certain reservations the location of the fishery resources may be indicated as approximately coincident with the limits of occurrence of stretches of water, but it must be recognized that bodies of water vary in respect of their productivity as much as areas of land do. Just as some stretches of land consist of utterly infertile sand incapable of sustaining plant life until water and nutrient materials are brought to them, so there are bodies of water which have no nutrient material and therefore can sustain no plant life. In regard to tropical waters, which constitute the bulk of the waters of this region, there is a difference of opinion among experts as to fundamental productivity. This argument has very

considerable bearing on the prospects of developing trawl and other fisheries comparable with the fisheries of Europe and America, yet there is a possibility that the arguments which have developed concerning these prospects arise out of misconceptions the elimination of which would leave the way clear for a progressive policy of development of these resources by methods suitable to the particular conditions of the region.

The region includes some of the great river and freshwater lake systems of the world, especially in China, Indochina, India and Pakistan; in addition it includes the bulk of the world's rice growing lands which, particularly in the plains and the deltaic regions, offer tremendous scope for fish stocks. Among the freshwater systems particular note should be taken of the Yangtze River and its associated lakes, of the Mekong and its associated lakes in Cambodia, and of the Ganges and its tributary streams. With each of these systems is associated a distinct freshwater fauna of considerable dimensions as evidenced by the catches which are annually taken. Similar, although less spectacular, resources exist in other freshwater systems of the mainland and of the Philippine and Indonesian Archipelagoes. In world trade the most important freshwater group of fish is the Salmonid because of its usefulness for canning; this group does not occur in this region, except in the extreme north-eastern corner, and it is not to be expected that the group could be introduced and an industry developed on it in the warm waters. The fish stocks which do occur are nevertheless commercially valuable. The distinctive biology of these species, correlated with the special hydrological regimes of each system, induce special technological features in the associated fishing industries.

In the coastal zones of the region there are extensive areas of low-lying land which consist of primitive swamp and seaward are covered with mangrove. Land of this type has been developed in various ways for fishery purposes. The most striking of these developments, and probably the most important, are those of the Philippines and Indonesia where great areas have been embanked for a very advanced technique of fish-culture based upon the *milkfish* (*Chanos chanos*)<sup>1</sup>. In other parts of the region similar practices have been developed for other species of the brackish-water fauna, notably of mullets, Lates, and various shrimps and prawns. This brackish water fauna is extensive, varied and in some cases very abundant. It

<sup>1</sup> This article was prepared by the Fisheries Division of the Food and Agriculture Organization at the Organization's Regional Office for Asia and the Far East.

<sup>2</sup> The term Asia and the Far East is used to cover the ECAFE countries (Burma, Ceylon, China, Hong Kong, India, Indochinese Federation, Indonesia, Korea, Federation of Malaya and Singapore, Nepal, North Borneo, Brunei and Sarawak, Pakistan, the Philippine Republic, Thailand), together with Japan.

<sup>1</sup> This fish is known as bandeng in Indonesia and as bangos in the Philippines.

includes not only the above species but also the Hilsa of India of which catches of many thousands of tons are taken each year.

In the marine waters there are extensive resources within the narrow zone along the coast and in fact these at present sustain the greater part of the marine operations of much of the area. The fish stocks of this zone are extremely diversified. Beyond the onshore zone there are separate resources to be found in surface and bottom waters. Throughout the marine waters a distinction from the waters of Europe and America is to be noted: the famous groups, herring, cod, haddock, halibut and so forth are missing from these waters, and in their place are to be noted the croakers of the China sea, the bilis group which includes *Stolephorus* and other clupeoid species, the Kembong (*Platichthys*) group, and the spanish mackerel group. There are substantial stocks of fish in the surface waters, and these include the tunas, especially in the eastern half of the region; the sharks and rays also are numerous. The demersal stocks are more enigmatical: these are usually indicated in the first instance in terms of the area of shallow water or continental shelf, and while the region contains some of the world's greatest oceanic depths, there are also extensive areas of shallow waters. These include the China Sea and adjacent waters, the Gulfs of Tonkin and Thailand and the Bay of Bengal with its adjacent waters, the continental shelf of Peninsular India and of West Pakistan, and the shelves of the Philippine and Indonesian Archipelagoes. All of these areas carry some fishing operations and generally their fish stocks are fairly well known; on the other hand, with the exception of the China Sea, none of them sustains any intensive operations approaching in importance the bottom fisheries of the North Sea, the Great Banks and the North Pacific, and this has been taken to mean that the bottom-living fauna is sparser in these waters than in colder waters. This may be true as an average for the region as a whole, although there are exceptional areas such as Wadge Bank off Southern India.

#### THE PRINCIPAL FISHERIES OF THE REGION

In considering the fisheries of this region, it is important to bear in mind the significance of the distinction between subsistence and commercial operations and to recognize the universality of the latter in the region. Whereas in other regions the character of distinct unit fisheries maintains clear boundaries between the different types of operations and the exploitation of different stocks, in this region the general substratum of subsistence operations transcends almost all such boundaries. Therefore, the listing of distinct fisheries relates chiefly to the commercial operations.

One other general note must be made at this juncture. In the fisheries programme of this region it is convenient for various reasons, some of which appear below, to divide the region into three sectors<sup>1</sup>: eastern (comprising Japan, Korea and China), central (comprising the Philippines, Indochina, Malaya, Thailand and Indonesia) and western (comprising Burma, Pakistan, India and Ceylon). In discussing the developed industries of the region this division is of considerable significance, more especially in connection with Japan. In the following sections it will be found that with almost monotonous regularity it is necessary to make reservations in respect of Japan whose resources include some cold water stocks (as distinct from the warm water stocks elsewhere in the region), and whose fisheries are greater, more extensive, more mechanized and more developed than those of any country of the region.

Organized commercial capture operations occur in most of the fresh water systems mentioned, reaching unique dimensions, and displaying special features, in the Great Lakes of Cambodia. Somewhat analogous to these operations (especially to the net-fisheries of the Lakes as distinct from the barrage fisheries of Tonle Sap) are the bheel fisheries<sup>2</sup> of the Gangetic system.

Freshwater cultural operations are most highly developed in China, India and Pakistan, employing, however, substantially dissimilar techniques. In China the techniques of fry collection and transportation, of pond construction and management, of stocking, feeding and managing, are highly elaborated and, while involving greater operational costs, give higher yields than the practices in the other two countries.

Especial mention must be made of the use of rice fields as a base for trapping and, in some cases, cultivation. Although subsistence operations undoubtedly exploit a fair proportion of these resources it is clear that tremendous development could be accomplished by the elaboration of the techniques and by the development of sources of supply of stocks for such waters.

Brackish-water capture operations take place throughout the region wherever suitable waters exist; for the most part too, such operations merge with the on-shore. Generally these operations are fairly diffuse but special mention must be made of the operations at Bagan Si-api api, for shrimp and numerous other species, and of the big fishery for Hilsa in the Gangetic delta and in nearby similar waters. Of the brackish-water cultural operations

<sup>1</sup> This division into sectors, which is based primarily on oceanographic grounds, follows the practice of the Indo-Pacific Fisheries Council.

<sup>2</sup> A bheel is a biome, lying adjacent to a river whose water is supplied by overflow when the river floods, at which time certain of the faunal elements are introduced in a natural planting.

mention has already been made of those in the Philippines and Indonesia for *Chanos* and elsewhere, especially in southern India, for shrimps, mullets and other species.

As mentioned earlier, on-shore fisheries are to be found throughout the region; in the central sector they are chiefly characterized by the use of traps, although other gear (nets and lines) is also used. In the eastern sectors greater use is made of nets, both of beach seines (e.g. Ceylon) and of purse seines or various forms of ring-net.

The off-shore fisheries are of extremely variable development, and properly so-called, are most important in the fisheries of China and Japan. The latter country had, before the war, fishing operations throughout the eastern and central sectors and in the western sector to the Andaman Islands. These fisheries exploited all types of resources, but perhaps the most significant were the reef fisheries which, especially in the Indonesian Archipelago, yielded considerable quantities of fish. Since the war the fisheries have been renewed to some extent by local fishermen. Another important group of off-shore fisheries includes the surface fisheries for tunas and for flying fish, also chiefly Japanese. Again, the Malayan fishery for kembong, in the vicinity of the Dindings, is of some value, although apparently sensitively responsive to prevailing marketing situations. Trawling operations, which probably can develop into a distinct fishery, take place on the Wadge Bank off Peninsular India. This is a special extension of the fisheries which exploit the bottom fauna of the continental shelf of India and Pakistan, operated by vessels out of both countries. The Karachi sections of this fishery are well developed and probably could be the basis of a substantial industry.

The secondary phase of this industry also is of variable development. In the western sector there exists a most tenuous framework of secondary industry concerned chiefly with the marketing and distribution of fish. Drying and salting of fish is carried on in West Pakistan (chiefly Karachi), in India (chiefly on the Peninsula) from which a fairly considerable quantity is exported to Ceylon, and in West Pakistan in the provinces of Sylhet, Chittagong and Khulna. There is also some manufacture of manure in India. A special product, known as Maldive fish, is produced in the Maldive Islands chiefly for export to Ceylon. In the central sector there are, in addition to the activities concerned with marketing and distribution, substantial industries for the production of dried and salted fish, fish pastes and fish sauces, especially in Thailand and Indochina, which before the war had substantial surpluses for export chiefly to Indonesia, through Singapore. Malaya and Burma also have in-

dustries for these products, as has the Philippines, but there are no surpluses for export. In the eastern sector the industries for production of dried and salted, canned and other forms of processed fish are highly developed with a considerable output and very important exportable surpluses. The marketing and distribution of fish is much more advanced in this sector, at least in Japan, than in the other sectors.

## TECHNOLOGY

In their technology, these industries are characterized by a maximum use of local materials, especially of bamboo and palm and their derivatives, a minimal use of mechanical equipment and a very general dependence on wind and manpower for propulsion and for the operation of equipment. Lacking the aid of mechanical equipment the average yield per unit of manpower is naturally low, and it is a further characteristic that generally many more individuals are to be found assisting in any operation than is usual for western operations.

*Technology of Fishing.* The most common type of gear is the trap. It would be difficult to give a precise definition of what constitutes a trap, or to provide a general classification of such gears, but they range from the small hand-held baskets to the elaborate, specially set, net constructed masuami and muroami operated at sea by the Japanese. These are used in all types of water for a wide range of types of fish.

Apart from traps, practically every other type of fishing gear is employed in the region to a varying degree. In the eastern sector there is extensive use of modern gear, chiefly by the Japanese. In the central sector the trap is pre-eminent in importance whilst in the western sector the fishing is chiefly by simple nets, and lines.

Similar observations might be made concerning the fishing craft. Japan and China have many mechanized craft whereas in the remainder of the region such craft are exceptional. In the inland fisheries the capture operations, for the most part, are carried out with elementary gear and similar observations may be made in respect of fresh water culture operations. The brackish water fisheries in many places merge imperceptibly into the fresh water fisheries and frequently the methods and even the manpower and gear of the one are indistinguishable from those of the others. Mechanization is beginning to make its appearance in all phases of the inland operation and one can observe isolated instances of engine-craft or mechanized equipment for various operations.



It is in the marine fisheries, of course, that, in a comparative sense, the consequences of the lack of mechanization manifest themselves most clearly. The Japanese fishing industry has many mechanized craft which before the war ranged widely over the world, and since the war have, step by step, been restoring the range of operations. For the rest of the region the marine fishing operations are carried out from craft even as primitive as the catamaran, which impose severe limitations on the length of voyage which can be undertaken, the types of fishing operation which can be carried out, the kinds of fish which can be caught, the quantity of fish which can be brought to port, the quality of the landed catch and the types of weather conditions under which fishing can be conducted. For the most part fishing operations throughout the region are confined to the fairly narrow zone parallel to the coast, and whilst it cannot be said dogmatically that rich resources lie out beyond the limits of the present operations, and simply await the coming of the fishermen, there is no doubt that the restrictions imposed on these fishing operations have the significant secondary effect of restraining exploratory activity and the discovery of new grounds.

*Technology of Processing.* In very broad geographic divisions it can be said that in the western sector of the region the principal method of processing is by drying with or without salt with the exception of the Maldivian fish. This processing is very simple and, in many cases, produces for human consumption a product of inferior quality, barely distinguishable from the manure prepared by similar methods.

In the central sector more complicated methods of processing are employed, the most important of which are conversion into paste of various forms and into sauces. The pastes are made by pounding various species of fish and crustacea and mixing them in varying quantity with materials such as rice flour, salt and spice. The pastes vary considerably in colour, texture and moisture content. The sauces are made by a sustained process of fermentation which reduces the protein of the fish flesh to amino acids which are virtually free of fish odours. Further use is made of the fermentative process in the preparation of other products; for instance, a minor degree of fermentation is used in preparing some of the dried fish of Cambodia and also of Indonesia and the Philippines. Fermentation is used in one process to reduce the carcase into a kind of soup in which float unrecognizable lumps of fish flesh. Another process which is employed in the central sector is that of boiling. In the eastern sector less use is made of the fermentative process but, especially in Japan, there is an increase in the variety of processed fish produced and, in particular,

use is made of modern methods such as canning. Moreover, considerable quantities of various types of fish oil are produced in the eastern sector, whereas the quantities of these in the central sector are negligible, and in the western sector there is to be found only one really effective shark liver oil unit.

*Technology of Marketing and Distribution.* The pattern of marketing and distribution in the region is basically a simple one consisting of sales of fresh-landed catch, as far as circumstances permit, in a fresh condition for immediate consumption and the processing of the remainder for consumption at later date<sup>1</sup>. Whilst distribution of processed fish has developed along more complicated lines, the distribution of fresh fish continues to be relatively simple. Wherever current facilities such as roads, rail or shipping lines permit, fresh fish is despatched for immediate sale and immediate consumption. Ice is used fairly generally although inefficiently and in insufficient quantity. There is a bare minimum of efficient cold storage, which is used, in point of fact, only for unavoidable holding pending the next sales. Japan is exceptional in this regard, although in certain places in the other sectors proper systems of collecting and transportation of fish have been organized, as, for instance, in Bombay, Singapore and Hongkong. In general there is no proper organization of the means of carrying fish in fresh condition from the point of catch or of landing to the market and/or the consumers, and there can be no doubt that the provision of organized facilities will have a profound effect on the development of this industry.

The facilities for selling fish wholesale and retail are generally most primitive. There are only a few genuine wholesale fish markets in the region and these service the principal cities such as Hongkong, Jakarta and Singapore. With the exception of the markets in Japan, none of these wholesale markets is really satisfactory in capacity, lay-out, or technical equipment. The facilities for wholesale and retail selling of fish are generally entirely inadequate. The fish are placed on bare stone slabs without protection from insects or climate with the result that spoilage is extensive.

#### MANPOWER AND EMPLOYMENT

*Nature of Manpower Available.* In considering the manpower of this industry the first step must be the recognition of the fact that there is available a very considerable body of amateur talent engaged in taking fish for subsistence purposes. From the technical point of view of the labour force of the industry this may or may not

<sup>1</sup> It could not be held however that no fish would be processed if transport and marketing facilities could deliver the entire catch in fresh condition.



have great significance. It would seem, in the first place, that these subsistence operators would constitute a considerable pool of potential labour to be drawn upon in emergency and from which recruitment could be made for permanent operatives. However, it is likely that whilst the first point is, in fact, true, the second is more apparent than real. The established labour force of the industry is already considerable, and capable, by natural reproduction, of providing adequate recruitment. This pool of subsistence operators has an importance, however, from another point of view, namely, that it introduces some considerable difficulties into the statistical task of taking a census of the industry labour force. The distinction between a subsistence fisherman and a professional operative is often very slight. At the one extreme, there is the farmer who catches fish in his spare time, using simple gear to take a few fish as required, for himself. At the other extreme, among the subsistence operatives, there are those people who engage in some fishing operation to meet their daily food requirements, but catch no fish for either barter or trade. From the latter there extends by indistinguishable steps a series which leads, through individuals who divide their time more or less equally between some agricultural or other pursuits, and fishing, for money income, to the professional operative. This situation is particularly practicable for individuals living close to the natural resources as in the case of fresh-water and brackish-water fisheries and also of those operations which take place either on the sea-beach or in the shallow coastal waters. In these cases the fishing grounds are of easy access, and, moreover, the fishing operations are simple and the fishing gear itself is most simple and inexpensive. In this situation, where fishing does not constitute a specialization, it is not surprising that technical development is slow to take place. In addition to this general psychological effect in the industry, there are others such as the fact that fishing is regarded as a low-caste occupation and, in fact, was specifically designated so in the Hindu caste system. In general the consequence has been that the fishing community, even when distinguishable as such, is isolated, low-caste, illiterate, and impoverished. A notable example of this is to be found in the case of the fishermen of the Tambak area of Java, who are the descendants of banished convicts, and still, after centuries, are isolated and carry the social and educational marks of their low condition. It could not be held, however, that these populations are unintelligent, unenterprising or unadventurous. There is ample evidence of their ability, within certain limits, to improvise equipment and methods to meet a specified situation. There is evidence also of their adaptability to new equipment and that,

given the training, they not only can operate new fishing gear but can manage motor engines. And although in certain cases they appear to be reluctant to venture out to sea, in other cases there is every evidence of their hardihood and of their willingness to explore. It cannot be too strongly urged that in this section of the industry's problem, there is an immediate need on the one hand for intensive socio-economic study of the various aspects of the social and educational problems and on the other hand for an effective educational programme.

Special note must be made of an unassessed labour force available to the fishing industry in Cambodia which centres its fishing operations chiefly in the Great Lakes and Tonle Sap. Each year there occurs, in synchrony with the phases of the moon during the months of December-January-February, a heavy run of fish through Tonle Sap; these are captured by means of barrages and set nets installed in the channels of this system. At this time the Tonle Sap, chiefly at Phnom-Penh, is visited by a large body of farming peasants who come from villages as far as 150 kilometres distance from Phnom-Penh. These people come, in whole families and even whole villages, with buffalo carts loaded with paddy which is exchanged for fish, either directly with the fishermen or through a dealer. The fish which they receive is round, which they themselves clean, gut and prepare for conversion into fish paste, *pra huoc*, which is made by pounding the fish and mixing with rice flour and other material and allowing it to ferment. The *pra huoc* is held in earthenware jars and is carried back to the villages where it is eaten with rice as the main source of protein during the remainder of the year. The significant feature of this example is that not only do these peasants present themselves (with their own transport) at Phnom-Penh as a significant avenue of disposal of a large quantity of fish (of the order of 25,000 tons each year) but also that it is probable that if these peasants did not arrive to accept the fish in round condition, the fishermen would not catch it, since the manpower is not available to process the fish and place it on an alternative market.

*Magnitude of Manpower Force.* Table I gives the estimates which are available of the numbers of persons engaged in fishing in the various countries of this region. There is no doubt whatsoever that these figures are far from accurate and that considerable confusion has arisen out of the lack of precise definition of fishing as an occupation, and fishermen as a category of persons enumerated during census. Certain of the figures given as representing fishermen are actually estimates of the entire fishing population and include not only those engaged in occupations subsidiary to the fishing industry, such as

net-making and ship-building and so forth, but also the dependents of the fully occupied persons, including both engaged and non-engaged dependents.

*Productivity of Labour.* In view of the general inadequacy of the statistics available in the region, no exact estimate of productivity of labour can be given. As just mentioned, it is generally impossible even to indicate the precise number of persons engaged in genuine fishing operations and, while there are some good grounds for indicating the level of production in certain sections of this industry, when the uncertainty of the amount of production is coupled with the vagueness of estimates of manpower, it will be recognized that the estimates of productivity are unreliable. With these reservations in mind, the figures in Table I may be considered as an approxi-

mate indication of the relative conditions of the industry in parts of the region.

*Level of living.* In the absence of detailed studies it is impossible to furnish quantitative measures of the living standards of fishermen. It may only be stated that it is easily observable that the majority of fishermen have a low standard of living. Few of them have anything more than the most humble of dwellings; most of them are in debt and spend the whole of their income on food, clothing and entertainment. Few of them earn enough to make savings with which to acquire their own capital, to give their children education or to establish security for themselves. In these respects fishermen are in much the same condition as a great many other people of the region, but as a body fishermen probably have a lower average standard of living than most other groups in these communities.

TABLE I  
*Fish production in relation to population and factors of production (approximate figures only).*

Country	Population '000 s (1948)	Men '000 s	Boats '000 s	Production '000 metric tons	Production tons per man engaged	Kilograms per person in pop.
Ceylon ... ..	7,095	44	12	40	0.91	5.6
China (not including Taiwan) ...	457,370			2,700		0.6
India ... ..	342,105	390	70	531	1.36	1.5
Indochina ... ..	27,000			266		9.9
Indonesia ... ..	76,360	258	25	472	1.83	6.2
Japan ... ..	80,697	2,000		3,180	1.09	39.8
Pakistan ... ..	73,321	200	17	250	1.25	3.4
Philippines ... ..	19,234			249		13.1
Hong Kong ... ..	1,800	58	4	52	0.89	32.6
Taiwan ... ..	6,126 *	170	20	57	0.34	9.3
Thailand ... ..	17,666	43	3	150	3.49	8.5
Singapore ... ..	964	5	2	2	0.42	2.1
Malaya ... ..	5,000	64	22	42	0.66	8.4

\* 1947

The above figures are intended, except in the case of population, merely to give an indication of order of magnitude. They are grossly rounded from the original figures, some of which were drawn from official publications, others from official and semi-official reports.

## FINANCE

Because of the nature of fishery resources the property rights in the fishing industry differ substantially from those in agricultural industry. The most general situation is that the only property rights possessed by the fisherman are in respect of his boat and gear. In cultural operations the fisherman may have exclusive property rights in the area he has developed and on which he is

operating his culture practices, or he will be in possession of a lease from some person who holds the title to the grounds. In respect of capture of species in inland waters the situation varies. In some cases exclusive property is held by individuals or groups of individuals; in other cases, the rights to exploit may be granted in the form of a licence to operate or a lease from Government or other owners. Notable examples of the latter are to be

found in Cambodia, Burma and in East Pakistan where the rights refer to a section of natural water. Here the fishermen are exploiting natural water conservation measures which depend largely on mutual confidence among the fishermen. Probably the most expensive property rights are those in respect of ground on which Tambaks have been developed and in these the population features of the fish stock, are, apart from questions of diseases and pest, dependent solely on the wishes of the owners or lessees and it is likely therefore that the exploitation should be made on a more rational basis.

*Capitalization.* Except for the advanced Japanese industry very little precise information is available on the capital structure of the fishing industry of the region. The most that is available is some general information on ownership, means of savings and relative size of fishing outfits.

Numerically the owner operative is the most numerous type of individual in the industry; but although the amount of actual labour represented in the amount of equipment possessed by such individual might be greater than the equipment of other categories, the average owning would be of much smaller dimensions. Usually the equipment of the owner operative is relatively small and where an outfit operates more complicated equipment the operative has generally been obliged to turn to others for financial help and, in doing so, has brought into the industry individuals who may otherwise have little connection with it. The equipment of the industry may be owned by individuals engaged in ancillary occupations such as in the market dealing with processed fish or dealing in nets and other fishery requirements; or the equipment may be owned by individuals of entirely different occupations who have turned to the industry for investment. The amount of money which is invested in this way varies very considerably; in the mechanized Japanese fishing, units such as steam trawlers cost hundreds of thousands of dollars, and the barrages of the Cambodian Lakes involve capitalization in some cases in excess of a million piastres, i.e. 20,000 dollars. The fish traps of Thailand and Singapore involve capitalization of about half this amount.

*Operational Costs.* It is probably in connection with the operational costs, that is, the cost of repair and maintenance of gear and the current financial commitments for foodstuffs, wages, etc. that the major financial problems of the industry are to be found. Probably the majority of the fishermen of this region are at present seriously in debt in respect of finance for these operational expenses and most of them are bound by agreement to fish dealers through whom they must sell their fish as a means for re-

payment of the debt. But the situation is such that the debt is really never repaid in full, and when a fishing season ends the revenue from the total catch has been insufficient to cover the interest plus the operating expenses required for the season, and the fisherman commences the quiet season of the year with a debt which he is compelled to increase by further borrowing from the dealer. It is probably true that this section of the problems of the industry offers the greatest opportunity for remedial action by government. Undoubtedly certain dealers are fair and scrupulously honest in their dealings with the fishermen, but with them, as much as with their dishonest colleagues, the system itself has a damping effect on the industry.

### ORGANIZATION

In this industry there can be recognized three principal types of individual. Firstly, those who are employed and who do not own either equipment or property rights, and who are paid wages or receive rewards in kind. Secondly, there are those who are owner operatives, meaning those who own part or all of the equipment of the fishing outfit and also engage in working the outfit, and who draw from the returns a share both for the equipment employed and for their labour. Finally, there are those who stand in the position of owner but do not participate in any way in the operations of the industry. The relationships which exist between these types of individual are extremely varied, involving differences in the amount of equipment owned and in the proportion of the total returns to which the individual is entitled. Co-operative societies have been formed in various parts of the region with extremely variable success. The highest degree of development of such societies is to be found in Japan.

### OPERATION OF THE INDUSTRY

Table I presents the estimates at present available of the quantity of the different production factors (men and boats) of this industry, and gives the estimates which are available at present of the total production in each of these countries. From this table tentative estimates of production capacity and efficiency have been prepared as shown in the last columns. The statistics of this table demonstrate in some measure the chief facts which are qualitatively recognized in respect of these industries; apart from the fact of the great number of people associated with the industry in various phases, and the very considerable number of units of equipment employed, the table indicates the extreme variability not only in the relative production, but also in the production per operative. The table however does not indicate the fluctua-

tions in catch which occur from month to month, season to season and year to year. Gross seasonal effects are present in most of the fisheries and in some parts of the region there is a complicated pattern of activities based on the seasonal cycle in the fishing.

In addition to the within-the-year rhythms in fishing activity and availability of fish, there are distinct, and in some cases very considerable fluctuations as between years. A notable example of these is that which occurs in the catch of the Indian oil sardine which, from a level of millions of maunds per year, has declined to virtual disappearance. Another example is the catch of Hilsa which displays distinct variation from year to year. In its present condition the industry is neither well adjusted to these fluctuations, nor capable of taking remedial measures of any type. Its secondary equipment is not of a kind that can cope with strong changes in volume of supply, and this is more especially true of the equipment for marketing and distribution, which is easily glutted. One of the most significant changes to be brought about in the secondary equipment must be the development of reserve capacity.

The records of fish catch, or even of market handlings, are generally insufficiently detailed to permit of the deeper analysis of fluctuations or to attempt the correlations with various factors in the resources, the industry and the general economy, by which the fluctuations might be understood and from which a prediction system might be evolved.

#### TRADE IN FISH AND FISHERY PRODUCTS

External trade in fresh fish has never been of major proportions in this region and has consisted chiefly of movement of immediate market supplies across adjacent national boundaries, as in the case of the importations into Singapore from the nearby Indonesian archipelago and into Hong Kong from the Chinese mainland.

A substantial trade in dried fish existed before the war and moved through certain well-established channels. The principal supplying countries were Indochina, Thailand, Malaya and India, much of whose product went through Singapore, chiefly to Indonesia. China imported various dried fishery products (for instance, sharks' fins) from various countries of the region, including Sind Province in Pakistan. Hong Kong was the entrepôt for much of this trade. In the west the principal movements were of dried fish from India to Ceylon, Maldivian fish to Ceylon, and dried fish from southern India to Burma. Certain supplies which before the war moved within the boundaries of undivided India have now acquired the status of international trade, but these have

suffered interference in common with the rest of the fish trade of the region and at present the international movement of fish and fish products is at a very low level. Among the factors responsible for this change probably that of currency difficulties has the greatest influence. The trade between India and Ceylon has been uninterrupted whilst the importations by Indonesia have become negligible.

In the eastern sector the movement of fishery products into and out of China, Korea and Japan was considerable before the war. The Philippines participated in this trade, which included canned goods of numerous types, oils and other by-products, as well as dried and salted fish. Although this trade has been rapidly recovering since the war, recent restrictions introduced by the Philippine Government seemed likely to cause a serious set-back and there is no doubt that the complicated political situation in the sector is having a marked effect.

#### ROLE OF FISH IN NATIONAL ECONOMIES

*Fish in Asian Diet.* It is a familiar fact that for a great many people of the region fish is the principal source of protein and for many the staple diet is rice and fish. Nevertheless, there are many people who have only very limited supplies of fish and some who have none at all; there is thus extreme variation both between countries and between sections of each country. Unfortunately it is impossible to give, for most of the countries, any quantitative measure of the importance of fish in the diet of the people: the most that can be said is that fish and fish products supply, on the average, a large proportion of the animal protein, and of calcium, vitamins and other essential items of diet.

*Contribution to National Income.* In view of the inadequacy of the statistical data in respect of the total quantity of fish and fishery products, it is inevitable that any attempt to assess the contribution of this industry to the various national economies must be unsuccessful. Table II gives the published statistics for this purpose. Whilst none of these figures can be submitted to any test it may be stated that it is the writer's impression that most of the estimates are underestimated, whilst some of them are grossly overestimated. However, it must be stressed that at this juncture this industry's contribution to national income (depending of course on the definition of national income) can hardly be measured in terms of its products in respect of which money has changed hands, or on which a money value has been set. It has been remarked earlier in this article that the volume of catch taken in the course of subsistence operations must be, as a total for the region, very considerable indeed. None of this is ever assigned a money value and it would



be extremely difficult to do so. Hypothetically it might be possible to estimate the average daily subsistence catch and then, as a means to giving a value, to estimate some characteristic daily price level for species of the type taken in these operations and apply this, allowing for transport and marketing differentials, to the average daily catch. It is obvious that such a procedure would be extremely difficult and it is doubtful whether the end

result would be of much value. Perhaps the best that could be achieved would be to make an estimate of the subsistence catch and to add this to the commercial catch in equivalent dietary terms and then to adjudge the relative importance of fish in the total dietary of the country. This procedure would of course neglect those quantities of fish and fish products which pass from the country as exports, and those quantities used for non-food purposes.

TABLE II  
*Estimates of fish production and national income (net national product) of a few countries in Asia and the Far East.*

Country	Year	Unit	Value of Fish Production	Net National product	%
Burma ... ..	1946/47	Million Rupees	48	2,385	2.0
Ceylon ... ..	1944	Million Rupees	26	1,701	1.5
China ... ..	1933	Million Yuan	176	19,946	0.9
India ... ..	1946/47	Million Rupees	150	55,800	0.3
Japan ... ..	1948	Billion Yen	18.85	1,907.2	1.0
S. Korea ... ..	1948	Million Won	3,577	692,428	0.5
Philippines ... ..	1948	Million Pesos	257	3,662	7.0
Thailand ... ..	1948	Million Baht	1,776	14,619	12.1

Sources:

Burma The National Income of Burma, by Miss Phyllis Ady (unpublished and confidential), page 54.  
Ceylon Report of the Commission on Social Services, February 1947, Government of Ceylon. Appendix I, Dr. B. B. Das Gypta's note on Estimate of National Income, page 125.  
China National Income of China, 1933 (in Chinese), Institute of Social Sciences, Academia Sinica, Nanking January 1947, Vol. 1.  
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Indonesia National Income Statistics, 1938-1948, Statistical Office of the United Nations, page 98.

### THE FUTURE OF ASIAN FISHERIES

There are numerous encouraging signs in the region that significant developments are germinating in the industry. On every hand there are to be found examples of the movement toward mechanization, in both the primary and secondary phases. Junks at Hong Kong are being converted to mechanical operation; Ceylon has purchased a new trawler to replace the 'Raglan Castle'; India continues, in Bombay and Bengal, its programme of introducing western-designed mechanically operated vessels. In every country fishery departments are formulating plans for the development of the industry. These developments will bring about extension and/or intensification of operations, improvement in the methods of handling the catch, and improvements in the marketing and distribution of the supply. Again, most governments are planning extension of their programmes of research, of all types, for this industry. There is noticeable a considerably heightened interest in the industry. In general terms these developments are certain to effect an increase in the volume of the fish catch and improvement in its quality. Whether, in addition to an increased supply of improved quality and a wider range of types of product, these developments will also give cheaper fish is a question which cannot yet be answered although it

seems likely that the actual money cost of fish will, in company with the cost of most other commodities in this region, show a marked increase. This would seem inevitable when these improvements are considered in conjunction with the present status of the fishermen of the region. As noted above, the majority of the fishermen live rather frugal lives: their occupation is frequently a hazardous one, attended by considerable uncertainty in respect of opportunity to work and of income to be obtained; their product is an extremely perishable one for which at times they can obtain no return. Also there is no doubt that there is a wide margin between the producer's return for his catch and the price paid by consumers. Much of this is due to the uncertainty of supply and the perishability of the product and much to the charges made by the middlemen — justified by the high risk element in the industry. Possibly the improvements which can be expected in the industry, which would result in a substantial reduction in the risk element and improvement in the investment status of the industry, would also serve to reduce this price discrepancy. On the other hand, much of this possible reduction will inevitably be taken up by improved returns to fishermen, and the increase in costs resulting from mechanization.

# FIELDS OF ECONOMIC DEVELOPMENT HANDICAPPED BY LACK OF TRAINED PERSONNEL IN ECAFE COUNTRIES

## INTRODUCTION

The following article deals only with the industrial field, including hydro-electric power schemes, mining and constructional projects, but in general excluding transport and telecommunications. Personnel have been classified into two groups — Group A, covering scientific, technical, professional and higher administrative personnel and Group B, covering supervisory, skilled and semi-skilled workers. An endeavour has been made to limit the enquiry to the more important projects included in each country's plan of industrial development.

Only one country in the region — India — has undertaken a scientific manpower enquiry<sup>1</sup> covering Group A and supervisory personnel, and no country has made any detailed investigation of its position in relation to Group B personnel. Moreover, only a few countries of the region have State Employment Services to assist them to clarify their availabilities and requirements in respect of the latter group.

Information in a variety of forms has been forthcoming from most countries of the region and has been supplemented by other evidences of shortages, such as the types of overseas training facilities being provided or urgently desired by Governments for their nationals, requests for the expert assistance of foreign specialist personnel, and finally the plans being developed or the enquiries undertaken in respect of the enlargement or re-orientation of national schemes of technical training, both for Group A and Group B personnel.

In view of the importance of the period 1949-1950 in the evolution of international plans of technical assistance, covering the programme of the United Nations and its specialized agencies, the United States ECA and Point Four programmes, and the Commonwealth scheme for south and south-east Asia, it was to be expected that the information finally forthcoming would be considerably more specific in relation to Group A than to Group B personnel. Nevertheless, although it was realized that much of the itemized information in the country studies would be subject to rapid change as technical assistance programmes got increasingly under way, their importance to the survey lay in the general conclusions that could be drawn from them as to the fields in which long-term needs were likely to persist. In this article, therefore, the more urgent needs of the individual countries

are set out very generally and briefly and are followed by a précis of the more important regional long-term shortages. Finally, certain additional requirements brought to light by the enquiry are indicated, in view of their importance in relation to the future handling of the problem of both regional and national shortages of trained personnel.

## THE POSITION OF INDIVIDUAL COUNTRIES IN 1950

### *Burma*

Owing to disturbed internal conditions the industrial section of the Two Year Development Plan of 1947, originally scheduled for implementation in 1948-49, still remains largely on paper. Almost all the country's industries, such as petroleum and mining and even railways and water transport, had originally been developed by foreign enterprise and, with the coming of political independence, the withdrawal of managerial and trained personnel left Burma largely bereft of the skills to enable it to carry out what was in effect a scheme of nationalization of its main industries.

With recent improvements in the internal conditions of the country, the Government is faced with certain urgent requirements to fulfil the modified plans of development now envisaged. High priority is given to the needs of key government departments. The Mines Department is to be expanded so as to be able to advise the Government in regard both to the mining possibilities and the efficiency of the present methods of operation, but in the absence of trained Burmese mining engineers and geologists, foreign personnel must be sought. The proposed Industrial Research Laboratory — a key institution under the new plan — must also seek overseas specialist staff until sufficient Burmese graduates with overseas training become available. The Central Statistical Office, which has had the services of two United Nations statistical experts for varying periods and which is faced with the task of reorientating the whole statistical machinery of government, is faced with the lack of well trained and experienced economists, statisticians and sociologists. The Geological Survey Department is similarly dependent on foreign staff and it will take many years for the small and at present poorly equipped Geology Department of the University of Rangoon to provide the necessary personnel. The Directorate of Industries

<sup>1</sup> Report of the Scientific Man Power Committee, June 1949.

also lacks key personnel both at controlling levels for departments dealing with factory and cottage industries and for technical and vocational education.

In regard to particular industries, the help of foreign personnel is sought in the fields of mining, sericulture, silk spinning, glass manufacture, leather goods and, in relation to a wide field of engineering skills, in electric power generation and transmission. Recent plans of the Government have concentrated on the urgent need to modernize existing cottage and handicraft industries and to introduce new ones along lines made familiar to the Burmese during the war years by the Japanese. A request for a large number of Japanese technicians in different small-scale industries, to be made available through United Nations technical assistance, has resulted in a team of three experts being sent to the country by the United Nations and the International Labour Office. It will survey all aspects of these industries, including personnel requirements and training facilities, which, if developed along sound lines, should be of great importance in meeting the present shortage of consumer goods.

#### *Ceylon*

The Government's Six Year Plan (1947-48 to 1952-3) is now in its fourth year of implementation. It aims at offsetting the dependence of the country on export crops by diversifying its industries. Recently, the importance of the plan in relation to manpower has been stressed, foreign personnel being sought only where trained Ceylonese are not available. There has been a considerable lag in the implementation of the plan, not in respect of irrigation and hydro-electric development, but in relation to the majority of industrial projects. The cement plant has been completed and is in production, and a big paper mill is under construction. Other top priority projects, such as iron and steel, fertilizers, cotton textiles and sugar manufacture, have not emerged from the planning stage. Existing industries such as leather, glass, paper and ceramics, have been running at a considerable loss. Two of the main reasons for both delays and financial losses can be attributed to the lack of directing personnel both in the government departments concerned and amongst higher managerial personnel required for existing and new industries.

The Government has recently been seeking for the Ministry of Industries a chief planning expert and a commissioner of cottage industries, as well as specialist supporting staffs. Managerial personnel and technologists were required for the following industries — caustic soda, research on salt and by-products, fertilizers, vegetable oil processing, paper manufacture, cement works, steel works, mining and beach mineral sands, cotton and

rayon textile manufacture, ceramics and pottery works, a fishery research vessel, and a series of proposed ice plants. In all forty-five foreign personnel were sought primarily as works managers, engineers and chemists. Overseas training facilities for Ceylonese nationals have been arranged or are being sought in respect of caustic soda manufacture, fertilizers, paper, steel, rayon textiles and fish processing. Domestic training facilities are considered to be inadequate both for Group A and Group B personnel.

#### *India*

In view of the availability of the report, published in June 1949, of the Scientific Manpower Committee, it is unnecessary to deal here with more than a few of the more important recent developments in connection with current shortages of trained personnel. Development Committees dealing with particular industries have been set up under the Central Advisory Council of Industries which was established in 1948, when the fall in production, noticeable since the middle of 1946, was causing the Government grave concern. A shortage of trained personnel, particularly of managerial grades, was diagnosed as one of the main impediments to production and a tripartite committee of the council is now investigating this problem.

Prior to the evolution of the Six Year Development Plan, the Government "high-lighted" its more immediate shortages of trained personnel in relation to statistical organizations, hydro-electric development schemes, housing, and certain industries, including cellulose, mining mechanics, the grading of both wool and hides and skins, engineering in connection with the saw milling industry and plywood manufacture, and food packing and preservation. In November 1950, with the completion of the Six Year Development Plan, the Government submitted details on a project basis, as far as these had been worked out at the time, of their more immediate requirements for foreign personnel and overseas training facilities for Indian nationals to enable the schemes embodied in the plan to be accelerated. The total of these, in relation to the present field of enquiry, as then assessed, included the following Group A personnel:

	Foreign Experts	Nationals for Overseas Training
Engineers and technological experts	906	398
Scientific and educational research	854	17
Detailed requirements, where already assessed, covered projects of both the Central and Provincial Governments and included the geological survey, chemicals (raw film,		



fertilizers, explosives, penicillin, sulphur and anti-malarial drugs, and plastics), paper and cellulose, cement, ferrous metallurgy (steel and electric pig-iron plants), salt mining, sericulture and silk weaving, wool and hide and skin grading, food processing and packeting, wood products (particularly research in relation to plywood manufacture) and tobacco auctioning. In the field of engineering, where shortages of qualified personnel are particularly marked, a wide variety of engineers were listed for teaching, research and manufacture. These were required for marine engineering, a steel tube mill, electric power generation, transmission and distribution, large scale constructional works such as aerodromes and dams, aeronautical research, telephone operation, and the manufacture of machine tools, wire and wire products, telephone, radio and radar equipment, mathematical and precision instruments, locomotives and rolling stock, and aircraft.

In addition, Technical Government Directorates were seeking experts in their special fields, including the Poona Research Station, the Post and Telegraph Department, the Ministry of Agriculture (statisticians), the National Physical Laboratory, the Research Laboratory of the Central Water Power, Irrigation and Navigation Commission and the Central Institute of Education (in relation to vocational guidance).

The development of cottage industries, which is receiving increasing attention, is primarily the responsibility of the State Governments, the function of the Central Government being exercised through a Cottage Industries Board concerned mainly with coordination and general guidance, training of instructors, research, and development of export markets. A difficulty in relation to these industries is wastage of skills acquired through already inadequate training facilities. Some 5,000 schools, mainly state owned or run by some public body, train not more than 125,000 pupils a year, of whom more than half seek employment in industries other than those in which they have been trained, and a further 25 per cent remain as wage earners in the cities. The village crafts thus benefit by under 25 per cent of the yearly output of trained personnel. In the last few years the Government has made considerable use of Japanese technicians with a view to opening up new industries, modernizing existing crafts and improving packeting and marketing techniques. There still exists, however, a nationwide shortage of persons capable of acting as supervisors and trainers of the rural craftsmen.

No manpower survey has been carried out in relation to Group B personnel and the available information is largely obtained by the Ministry of Labour (Directorate of Resettlement and Employment) through the nation-

wide network of state employment exchanges. Persistent demands exist for highly skilled draughtsmen, machinists, welders, tractor drivers, electricians, pattern makers, fitters, turners, overseers, etc. These shortages cover many industries and are not restricted to any particular area. At the same time there is a surplus in some of these fields of insufficiently trained men who can only be profitably absorbed if given additional training. In certain other fields, such as clerical work and allied occupations, there is a surplus of labour which requires to be diverted into channels where there is an actual or potential shortage. It is estimated that government and other training facilities for Group B personnel cover some 23,000 skilled and semi-skilled workers annually, but the outstanding need is for a wide extension of in-plant training, a point which is stressed in the Scientific Manpower Committee report.

*The Associated States of Indochina (Laos, Cambodia and Viet-Nam)*

The standing development plan for these three territories is embodied in the report of the Sub-Committee on the Modernization of Indochina (1948). By October 1950 existing industries, including alcohol, paper and pulp, cement, tin, coal, cotton, silk, glass, mechanical engineering industries and power generation, transmission and distribution were at varying stages of reconstruction, in many cases delayed through further damage resulting from the present hostilities. New industries, principally chemical, metallurgical and textile, have not got beyond preliminary surveys, and in many cases these have been considerably slowed down because of disturbed conditions.

Under treaties recently concluded between France and the Associated States, the latter have agreed to give priority to French technicians and to seek from France the technical assistance they desire and facilities for scientific training. The more immediate need is for offers of overseas training. Because of depleted funds, help is wanted to provide such facilities both in France and in other French-speaking territories, the order of priority (exclusive of agriculture) being industries dealing with the conditioning and processing of tropical agricultural products, mining industries (coal, iron phosphates, non-ferrous metals), chemical industries (particularly the manufacture of fertilizers), power generation and transmission, and the mechanical industries. In the meanwhile, even with restricted operations and the slowing down of new developments, there is likely to be a shortage of skilled technicians amongst the Vietnamese for some time to come, and even more so amongst the people of Laos and Cambodia.



### *Korea*

The information available, prior to the outbreak of hostilities on 21 June 1950, mentioned requests for experts in economic planning, public finance and taxation and on marketing questions. Details were also provided of (1) the number of trained nationals currently available, (2) the number of nationals for whom training could be undertaken in the country, (3) requirements for foreign personnel and (4) requirements for overseas training of Koreans. The industries covered were in the following groups — chemicals, paper, metallurgical industries, mining, petroleum and a wide variety of constructional occupations. In all, 105 foreign experts were sought and overseas training facilities for 142 Koreans.

### *Nepal*

A report was prepared in 1950 by the National Economic Planning Committee embodying a Fifteen Year Plan of Economic Development, but, as far as is known, it has not yet been endorsed by the Government. The plan covers three five-year periods and, in relation to industry, includes an oil expeller plant, sugar mill, pulp and paper mills, a cement factory, wool and cotton spinning and weaving mills, a rice mill and a wood sawing mill. Other industries envisaged for the later stages of the plan include chemicals, soap, jute, shoes, glass, canning, matches, plywood, tobacco and cigarettes. The development of mineral resources (china clay, graphite, ochres and limestone) and a hydro-electric power scheme are also included in the first stage of the plan. No reference to personnel was contained in the summary provided except in relation to the staff required for the establishment of a geological survey, the bulk of whom (geologists, surveyors and a museum keeper) would presumably have to be foreign experts. The report also indicated a wide use of foreign firms in connection with mineral development, and the execution of the plan would require (1) specialists as advisers in the formulation of a scheme for each industry concerned; (2) managerial and higher grade technicians on a contract basis for sanctioned schemes; (3) overseas scholarships for Nepalese; (4) geologists, surveyors, and electrical and mining engineers.

### *Pakistan*

The partition of the Indian sub-continent had an immediate effect upon the position in relation to personnel availabilities and requirements. Many technicians in the fields of commerce and banking as well as in certain industries (e.g. cotton ginning) were non-Muslims and their migration was immediately felt. The coal mining industry was directly affected by the loss of coal getters, who were mainly Hindus. On the other hand, there was a surplus of railway workers, a disproportionate

number of such in undivided India having been Muslims. At the same time the urgent need arose to develop new industries, such as jute and cotton cloth, shoes and leather goods, woollen fabrics and electric power, where existing manufacturing units were wholly or mainly in India.

During most of the period under review the National Planning Advisory Board had laid down no industrial priorities, although a statutory corporation is now planned which will be responsible for promoting companies to develop heavy chemicals, fertilizers, paper, jute fabrics, heavy engineering and ship building. Moreover, the Technical Education Committee appointed by the Council of Technical Education had not at the time issued its report. It was therefore impossible to obtain information on personnel shortages except on the basis of material originally compiled with a view to clarifying the Government's needs in respect of technical assistance. These covered certain requirements for foreign personnel for advisory services or on a contract basis, as well as requirements for overseas training of Pakistanis. In the last quarter of 1950, however, important developments took place, namely (1) the report of the Technical Education Committee, (2) the publication of a national plan for Pakistan (1951-6), and (3) the scheme of cooperative economic development in south and south-east Asia, arising out of the Commonwealth plan for technical assistance. Although the Technical Education Committee did not include in its report "a survey of the needs of Pakistan (present and anticipated during the next seven years) for technical personnel of various categories," as indicated in its terms of reference, it admitted serious shortages in a number of directions due to restricted openings in the past, the filling of more remunerative posts by imported technicians, and the reluctance of Muslim youths to taking up industrial occupations. With the creation of the new State of Pakistan, there was in consequence "a pressing demand for technicians of all types and of approved standards." Certain shortages were specifically mentioned e.g. architects and engineers, the latter with particular relation to the staffing of the three engineering colleges with personnel of the required number and calibre. The report is valuable as indicating in advance of the National Development Plan a full realization of the need for the systematic training of personnel at all levels — semi-skilled, skilled and supervisory workers, as well as graduate technicians in industry, research and teaching.

The Six Year Plan lays special emphasis on (1) the development of railways, roads and telecommunications, (2) hydro-electric and other forms of power, (3) exploitation of mineral wealth, including a general geological

survey, (4) establishment of basic and key industries, including jute, textiles, cotton and paper mills, as well as miscellaneous industries such as sugar, ceramics, glass, chemicals and fertilizers. The Government proposes to give considerable help to private enterprise by, among other things, steps to increase the availability of technical personnel. Substantial sums are earmarked for this purpose by Central and Provincial Governments. Universities are being helped to equip themselves better and considerable numbers of scholars are being sent overseas for training in universities, technical institutes, laboratories and factories.

The information available indicates that for some years to come the Government will mainly depend on foreign technicians for (1) economic surveys of particular industries, (2) key government or quasi-government posts for organizing special types of industrial development (e.g. cottage industries) or controlling research and other operations of technical institutes (e.g. ceramics, tanning), (3) organizing technological departments at universities and technical training centres for skilled and semi-skilled workers or modernizing existing training establishments. Requirements for 136 foreign personnel to hold key positions in technical institutes were notified in the second half of 1950 and a director for the proposed new institute for scientific research was also being sought from overseas. A reorientation of the Government's statistical machinery, on which a United Nations expert is giving advice, will include long and short-term steps to be taken to train Pakistanis for statistical operations.

In addition to the above, the Government indicated its need for foreign experts on an advisory basis for

- (1) a geological survey;
- (2) improving dockyard facilities at Narayangunj in East Pakistan;
- (3) excavating an inland ship canal in East Bengal;
- (4) a pilot project of trial borings for exploiting underground water resources in Baluchistan;
- (5) reclamation of saline and alkaline lands of the Punjab Salt Ranges;
- (6) a plan for modernizing the working of the port of Chittagong;
- (7) equipment for freezing and canning modern produce and processing of foods, vegetables, milk products, etc.

Advice from individual experts was required covering a wide variety of schemes in connection with the following industries: chemicals (fertilizers, drugs, insecticides, etc.), industries based on fermentation, iron and steel,

ceramics (fire bricks and use of clays for pottery), engineering and related projects (with particular reference to railways and telecommunications), and town planning.

Foreign personnel on a contract basis were required in government posts, such as a Deputy Director of Industrial Planning and Development and Assistant Director or Cottage Industries, as well as in chemicals, sugar, wool, jute, ceramics, leather, wood products, and rubber. A wide variety of engineers were also sought for training and research institutes, industrial plants and constructional works, such as hydro-electric power schemes and land reclamation.

The list of overseas training facilities desired for Pakistanis, additional to those made available through Government scholarships, covers the bulk of the fields already indicated as well as training facilities to enable Pakistanis subsequently to fill a wide variety of key positions as managers and foremen in technical and vocational training centres and as supervisors of cottage industries. It is considered that the approximately 2,300 industrial training places, largely in the engineering and building construction trades, currently available in technical training centres, and the approximately 950 for cottage and small scale industries in vocational training centres are wholly inadequate to meet national requirements for Group B personnel. The shortage of skilled operators was stressed as being particularly noticeable in the following categories: light castings, small internal combustion engines, hand-machine tools, agricultural implements, motor dynamos, motors and accessories, instrument machines, hosiery machines, needles and fittings, and machinery and machine parts.

#### *The Philippines*

The destruction in the Philippines resulting from the war was greater in industry than in agriculture and it has been estimated in the report of the recent United States Economic Survey Mission (November 1950) that three-quarters of the production facilities of the country, outside agriculture, had to be restored in the post-war period.

Among the Government's top priority projects, to which only the minimum financial allocations have so far been made, are paper bag manufacture, steel, textiles, shipyard and heavy industries, hydro-electric power development, and industrial utilization of coconut products. Other projects to be established in the near future are fertilizers, caustic soda, lime, paper pulp, oil and alcohol refineries, ramie, rayon and jute textiles and fibre, and agricultural implements. Foreign personnel and/or overseas training facilities for Filipinos are required in the majority of these cases.

The report of the United States Economic Survey Mission stressed that present limitations on the employment of foreign engineers and technicians should be modified as their services were essential to the development of the mineral resources of the country and would be required until sufficient trained and experienced Filipinos became available. The need for additional facilities for the education of engineers and geologists was recommended through the provision of a school of mining industries and sciences at the university. In the cottage and handicrafts industries it was stated that new fields for export awaited development, but help was needed to train the directing personnel in marketing techniques, packeting methods and advertising, as well as in improved systems of manufacture and new fields of enterprise.

The report summed up the position by stating that "the available technical and management skill in the Philippines will not be sufficient for extensive development of industries for some time. This does not mean that industrial development must be postponed. It does indicate that rapid progress must be made in the training of engineers and business managers. This deficiency must be overcome by providing engineering education and by providing experienced men in actual operation. In the meantime, use should be made of competent and experienced planning, management and technical personnel from abroad." To this end the Government was recommended "to remove barriers to the employment of foreign technicians and take steps to improve training facilities for technicians." The Government has since made clear to the United States Government its need to avail itself of the services of American technicians, and a formal request to that effect has already been conveyed.

#### *Thailand*

No overall plan of economic development has yet been approved by the Government of Thailand, but the National Economic Council, set up in March 1950, will be responsible for considering and coordinating all such plans, and for establishing priorities. The main fields of industrial development are currently the concern of the Ministries of Industries, Finance, Defence, Communications and Agriculture. Those planned for or in process of extension are oil extraction, sugar, alcohol distilleries, paper, pig iron and steel, cotton textiles, gunny sack manufacture, tanning, tobacco, rubber tyres, food processing, and printing, as well as gold mining and hydro-electric power development. Plans for overseas training of Thai nationals have been drawn up in the majority of these cases. Foreign experts are contemplated for the paper industry, gold mining, gunny sack

manufacture, food processing (tapioca and fish preservation), rubber tyre making, and hydro-electric power schemes.

In the field of technical training, expert advice on curricula and teaching methods is required by the universities, with special reference to engineering, mining, geology, accountancy and statistics. Vocational schools for teaching machine shop practice and motor mechanics are urgently required. It is recognised by the Government that the existing vocational training facilities for both Group A and Group B personnel will not meet the requirements of an expanding economy. A recent UNESCO survey of the Thai school system stressed the need for greater coordination of education with the industries of the country, but also noted that increasing public recognition was being given to vocational training and expressed the hope that training could be given in additional industries, including electrical services.

*United Kingdom Territories* (Hong Kong, Singapore, Federation of Malaya, Brunei, Sarawak and North Borneo).

The general aim of the United Kingdom Government has been defined by the Colonial Office as under:—

"Economic development in the colonies cannot be sound unless it also provides for a permanent improvement in the supply and the quality of technicians from among the colonies themselves. The task of outside experts is as much to assist in training the experts from amongst the local population as it is to carry out particular technical projects. It should, however, be realised that in attempting to improve the supply of local technicians it is necessary to build from the bottom..... At present the major emphasis in providing for technical training in the colonies is on producing skilled artisans and in giving basic trade training coupled with a general improvement in educational standards. More advanced training must initially be mainly provided at universities outside the colonies which are in a position to impart the knowledge and skill of more highly developed communities. University colleges and universities can then be provided in the colonies themselves and this stage has in fact been reached, on a regional basis, in the colonial empire."

Whereas the six territories are still dependent for Group A personnel upon the United Kingdom, and, in the case of the oil companies of Brunei and Sarawak, upon an even wider area, an increasing use of qualified local personnel is now the accepted policy of each



government. There is a general shortage of engineers of all types throughout these territories. In Malaya, where the position was particularly acute, the Government reported at the beginning of 1950 that approximately a quarter of the senior pensionable posts in the "resources" and "utilities" departments were vacant because of inability to secure the necessary qualified staff. This was particularly noticeable in the Public Works and Mines Departments.

Apart from the shortage of engineers, Hong Kong and Singapore report no shortage of Group A personnel. Brunei is currently limited in recruitment by difficulties of housing, and Sarawak is approaching the stage where further staff expansion is limited, not by the colony's requirements, but by the Colonial Government's financial capacity to engage further staff. North Borneo is experiencing difficulty in securing surveyors, whether on a long or short term basis.

In respect of Group B personnel, the British Malayan Petroleum Company of Brunei reports a lack of trained automotive fitters, diesel mechanics, carpenters, electricians and operatives of heavy equipment such as bulldozers. There is also a shortage in the colony of skilled building labour and of experienced surveyors. Sarawak is similarly short of skilled building labour and North Borneo is short of draftsmen and subordinate personnel for the Survey and Mines Departments as well as of skilled building labour. The recurrence of shortages in the building trades is largely a result of extensive rebuilding and re-conditioning schemes consequent on the extensive damage resulting from the war and aerial bombardment.

#### *Republic of Indonesia*

Two missions visited the country in the first half of 1950, the Griffin Mission under the United States Point Four technical assistance programme and a United Nations exploratory mission, and the following information on personnel shortages was in the main prepared as basic material for use in connection with these missions. Foreign experts were sought in the industrial field to advise in connection with chemicals (fertilizers, caustic soda, use of agricultural waste materials), paper (kraft and ordinary papers and manufacture of pulp from certain species of trees), food processing (fish and fruit canning, nationalization of coconut oil and rice milling industries, deep freezing of meat and fish, and research on soya milk and soya bean products), tanning, and finally, air-field designing and construction.

One of the main shortages experienced by the Government was in respect of scientific research workers be-

cause, at the end of the war, owing to deaths, disablement and retirement, most of the scientific institutions were left with a skeleton staff and some with none at all. The numbers sought in the fields covered by this study (chemical technology, engineering, textiles, ceramics etc.) far exceeds the numbers likely to be secured to man the research institutions and laboratories of the country, whether in respect of men with university degrees or those with non-university education, some forty of the former and forty-two of the latter. In view of the world shortage of this category of trained personnel, an expert survey is clearly indicated to establish priorities.

The Geological Service and Geological Museum of Bandoeng had a staff of nine scientists compared with forty in pre-war days. The completion of the Geological Survey, essential to a full knowledge of the country's mineral resources, would require a hundred experts for approximately twenty-five years. A department of the Technical University of Indonesia was opened in 1949 to train geologists and mining engineers and fourteen students were enrolled for the opening session. Meanwhile, foreign geologists were being sought to conduct surveys on the island of Halmabam and to make a final survey in West Borneo.

In the field of hydro-electric power, the Government has an extensive scheme covering four stages of development over a period of twenty-five years and is seeking the services of technical planning experts and engineers specializing in large dam construction. No survey of requirements for foreign training or overseas training had at the time of writing been made in relation to the Government's extensive plans for harbour construction, but in view of the wide destruction during the war and subsequent plans for reconstruction and expansion, overseas and local training facilities for construction workers are clearly indicated.

The Government was early conscious of its need to re-orientate its technical and vocational training schemes to meet urgent requirements both in factory industries and local cottage and handicraft industries and was seeking experts both to review these requirements and also to organize a polytechnic centre at Jakarta to train workers in metal work, textiles, printing and motor vehicle repairing. It was recognised, however, that in a "new" country such as Indonesia, faced with a re-orientation of its whole educational system, schemes of technical and vocational training were needed to fit into a wider pattern of development designed to serve the whole community, and the help of UNESCO and the International Labour Office in these fields has since been secured.



## SOME OUTSTANDING SHORTAGES CHARACTERISTIC OF THE REGION AS A WHOLE

In dealing with a region so vast as that covered by the Economic Commission for Asia and the Far East, it is impossible to do more in the present article than stress certain outstanding shortages of trained personnel. The extension of existing training facilities and conclusions and recommendations for meeting the shortages, differing as they do in relation to each category and even in respect of each country because of significant degrees of shortage, do not admit of a ready summary and therefore are not included here.

### *Geologists and Mining Engineers*

The shortage of geologists and, to a lesser extent, of mining engineers is today a world problem but is shown in its most intractable form in the ECAFE region. Not only is the region inadequately explored, making sound estimates of mineral wealth difficult and underlining the urgent need for building up national geological surveys, but there is also a great paucity of training facilities for both categories throughout the region. India is the only country which can be said to have anything resembling an adequate staff. In other countries, such as Burma, Ceylon, Indochina, Thailand, Pakistan, Malaya and Indonesia the numbers are all below ten and in some cases less than half that number. Only India has universities able to give a full course of training in geology and mining.

In view of the primary importance of geological surveys, the ECAFE Secretariat has made a separate study of possible sources for obtaining geologists, as well as of existing facilities for training and selected methods for carrying out geological surveys with a minimum number of scientific personnel.

### *Technical Staff for Hydro-Electric Schemes*

The bulk of the countries of the region are faced with the urgent need to develop hydro-electric multipurpose schemes in connection with their plans for both agricultural and industrial development. Some (India, Pakistan, Thailand, Ceylon) have already a varied number of important schemes under construction or in an advanced stage of planning. Others, such as Indonesia and the Philippines, have plans still not advanced enough to assess personnel requirements, but are nevertheless well aware of the gap between ultimate requirements and present availabilities. Shortages exist in respect of the following Group A personnel:

- (1) principal planning engineers, survey engineers and assistants, hydrological and hydraulic engineers, engineering geologists and planning economists;

- (2) principal designing engineers with assistant civil, mechanical and electrical engineers of varying categories according to the nature of the schemes;

- (3) construction engineers with supporting personnel such as contract and specification engineers, foundation engineers, concrete engineers, material testing engineers etc.

Among Group B personnel there are universal shortages of skilled operators for earth-removing machinery, for tube well boring, for foundation drilling, for concrete machinery of all types as well as supervisor/foreman personnel for all these operations and for the maintenance and repair of modern construction machinery.

### *Personnel in the Field of Flood Control*

The shortage of personnel in this field is keenly felt throughout the region in relation both to Group A personnel, such as high ranking hydraulic engineers, and Group B personnel, such as supervisors and foremen operating construction machinery. India and China are comparatively well off in relation to the senior grades, but Indochina, Indonesia, Ceylon, Pakistan and Burma cannot attempt to meet their needs and rely on foreign specialists. Training facilities are inadequate and are wanted not only for university graduates of moderate experience capable of becoming engineers in charge of planning, design, construction and operations of flood control projects, but also graduates of technical schools who will become draftsmen, surveyors and supervisors of flood control works. Practical training facilities are also needed for foremen and skilled workers who possess sufficient knowledge of modern machinery to comprehend the operation of mechanical equipment.

### *Chemical Technologists*

In the main five types of personnel are sought—manufacturing chemists and various types of engineers for particular plants, chemists for research, teaching staff for technical institutes, experts to survey the possibilities of setting up particular branches of the chemical industry and top supervisory staff capable of handling the complex problems involved in modern chemical production. Among the chemical industries experiencing these shortages are fertilizers, sulphuric acid, caustic soda and chlorine, vegetable oil processing, soap, soda ash, and salt and its by-products.

Fertilizer manufacture has been the subject of a special joint study by FAO and ECAFE, in view of its importance to the countries of the region in relation to food production. Among the personnel shortages being experienced in this field are high grade technologists such as superintendents, works managers, works engineers, che-

mists and chemical, electrical, mechanical, civil, petroleum and hydraulic engineers, as well as draftsmen. India has the largest number of trained personnel, but even that country is required to employ foreign personnel at the present time. In most other countries of the region foreign firms will be responsible for the erection of fertilizer plants.

#### *Industrial Research Workers*

In an effort to meet the growing need for research, several countries of the region have been developing research laboratories and institutes. The furthest advanced are those sponsored by the Government of India. Governments recognise that, for most of the factories and plants in the region, independent research departments are financially and technically impossible for some time to come, because of lack of equipment and trained personnel. This gives added importance to the equipping and training of personnel for the staffing of these institutes. Fields of special importance are chemicals (including process industries such as soap, oils, fats, foods, as well as pharmaceuticals, dyes and heavy chemicals), paints and varnishes, fuel (especially in the utilization of low grade coal), textiles (including artificial and special fibres and research in dyeing and finishing processes), ceramics and glass (utilizing indigenous raw materials), leather and tanning processes. Laboratories lack equipment, libraries and, in some cases, adequate quarters. Furthermore, as laboratory administration and direction is a complicated problem, organizational assistance is also in demand.

#### *Managerial Personnel*

Although a low level of managerial efficiency is not the only factor in the low production which is troubling most countries of the region — including India, the most highly industrialized — it is nevertheless one of the major problems. In addition to the need to improve the techniques of existing managerial personnel, a number of countries committed to a policy of state control of particular industries are thwarted in the implementation of important schemes by inability to provide their own managerial personnel, as well as by difficulty in securing foreign personnel. This is noticeable e.g. in Ceylon. There is a need to provide increased training opportunities for selected personnel and to break new ground in regard to new types of training to meet the needs of a scheme which requires both academic and practical training.

#### *Administrators and Organizers of Cottage and Handicraft Industries*

A number of countries of the region (e.g. India and Ceylon) have evolved schemes for training supervisory personnel in these industries which are now recognized

as of growing importance to a balanced industrial economy. The contribution which Japan has to offer in the mechanization of many of the small-scale industries through sub-division of processes and the use of simple machinery in the worker's own home, is being increasingly recognized. There is a growing need also for personnel trained to develop an export market by improved techniques of styling, packaging and advertising. Improved training facilities are required to provide these different types of supervisory and training personnel as well as to teach the workers themselves more modern and efficient techniques and higher standards of craftsmanship, design and finish.

#### *Public Administrators*

A number of countries of the region are faced with a grave problem in building up efficient public administration machinery and securing an adequate supply of trained civil servants. The problem is most acute as a result of factors such as the withdrawal of a metropolitan power and most of its administrative personnel (e.g. Indonesia), or the division of a territory into several independent units (e.g. Indochina in relation to Laos, Cambodia and Viet-Nam). War and civil war have further depleted the available supply of civil servants in some instances. Finally, the functions and responsibilities of government have greatly increased in the region as in many other parts of the world. Improvement in public administration has therefore emerged as a key problem in all countries of the region. The United Nations has recognized this fact and also its importance to the most efficient use of technical assistance funds, and to this end has made an important contribution in setting up in New York the International Centre for Training in Public Administration which will operate through seminars, fellowships and scholarships and the dissemination of technical information.

In a number of countries of the region public administration is handicapped by too many civil servants both inadequately trained and remunerated. The problem is so wide-spread and so well recognized that it does not need to be enlarged upon in this context. In addition, however, to international training facilities, there is a need for on-the-job training of junior civil servants as well as diploma courses at universities for promising actual and potential staff.

#### *Economic Planners*

A recent report of the ECAFE Secretariat stressed that "the increase in serious national planning is unquestionably one of the most significant post-war phenomena in the region, but the inadequacy of sound planning is still a basic and perhaps the greatest difficulty to be overcome in the region's struggle for economic development".

The International Bank also reported that "the most striking lesson" of its experience to date was "the dearth of soundly conceived development projects."<sup>1</sup> The reason for this is a lack in most countries of the region of a nucleus of personnel with knowledge of the principles of economic planning.

As economic planners are in short supply throughout the world, the countries of the region cannot hope to provide their own senior personnel in this field for some time to come, but must rely on foreign specialists. Nor is there any short cut to the production of such personnel. A temporary training institute under governmental and international auspices has already been organized as a pioneering venture in Pakistan with the aim of enabling delegates "to raise the general standard of competence in the preparation and planning of projects so that these could subsequently be dealt with expeditiously by the national and international organizations responsible for their selection, execution and financing."<sup>2</sup> This is an important pioneer venture which should lead to more wide-spread development.

#### *Statisticians*

The absence of accurate statistical data has been one of the main difficulties experienced by countries of the region in evolving plans of economic development. The setting up of adequate government statistical machinery requires the availability of a wide variety of trained statisticians — high grade personnel possessed of the techniques and knowledge necessary to organize the national statistical machine in the most economical manner, intermediate levels of personnel capable of accepting responsibility for the organization in particular fields of statistical operations down to the supervisory grades, enumerators and junior statistical personnel engaged on day-to-day operations. Even in these broad categories specialist types are needed (in the science of sampling, in widely varied fields such as demography, labour, agriculture and industry, experts in applying mechanical devices etc.).

The urgency of the need for trained statisticians at all levels was early recognized by governments of the region and the first request for United Nations experts was in this field. Training courses have already been, or will shortly be, held in different parts of the region and fellowships and scholarships are offered by the United Nations. What, however, many of the countries lack to take full advantage of these facilities is basic training in statistical techniques and related skills and the subject matter to which statistics are to be applied, as well as training in

the absolute objectivity essential both in handling statistical material and in finding the solution to statistical problems. Unfortunately, in a number of countries of the region such training at the university level is either not available or wholly inadequate. Facilities for training junior personnel, both already in the civil service and prior to recruitment, is recognized by experts to be as necessary as the training already in course of evolution for more experienced personnel deficient in modern techniques.

#### *Economic and Research Workers*

Trained personnel in this field are basic to the formulation of economic policies and the evolution of national plans of economic development. Unless based on systematic research, national plans may be built up on unsound policies and give rise to serious financial and other consequences in the course of their implementation. Many economists in government service in countries of the region have lost touch with the latest developments in the techniques of economic research because of heavy administrative responsibilities and other factors. Moreover, the spread of national planning has resulted in most countries of the region having an inadequate supply of trained economic research workers both of senior and intermediate grades — the best off probably being India and China. The gap between requirements and availabilities in these grades cannot be bridged by empirical methods. The whole has to be built up upon a broad basis and necessitates the gradual provision of adequate academic and research facilities and teaching personnel — a field now covered primarily by UNESCO in relation to international technical assistance. But Governments themselves are increasingly aware of the need to investigate their own training facilities and shape them more in accordance with modern needs.

#### *Commercial Attachés and Trade Promotion Officers*

It is true to say that shortage of trained personnel is a greater handicap in the promotion of foreign trade within the region than shortage of finance. In most instances sufficient trained or experienced personnel to conduct such services simply does not exist. The historic background of a number of Far Eastern countries has been such that both private and government trade promotion services have been in the hands of nationals of the countries to only a limited extent, thus precluding the necessity for taking the initiative. Moreover the relatively minor significance of pre-war inter-regional trade did not require substantial government commercial representation. As a result of these factors the philosophy and the techniques of trade promotion are new to traders and governments of the region.

1 "Methods of Financing Economic Development in Underdeveloped Countries", UN Publication Sales No. 1949:II.B.4, 1949, page 1.

2 Advance notice of the sponsoring organizations of the nature of the prepared course.

At present the need for trained personnel is acute in all phases of foreign trading and trade promotion activities, both governmental and private, and there is an awakened interest amongst the governments to assume the leading role in the conduct of their foreign trade. During 1949 and 1950 Ceylon, India, Indonesia, Pakistan and the Philippines made plans for extending or actually augmented their overseas commercial services. Training in the techniques of trade promotion is an approved subject of study under the United Nations fellowship and scholarship scheme and a few countries send selected personnel overseas for training. Recently a course has been inaugurated at the College of Business Administration of the University of the Philippines, but in general governments of the region still have no adequate machinery for training in this important field.

#### *Commercial and Entrepreneur Personnel*

In almost all countries of the region there is a great scarcity of nationals who have experience or skill in the fields of industry, commerce and banking. Often the big traders and bankers were or are westerners and other foreign personnel, and the small traders Chinese or Indians. This means that in many of the countries nationals have only the most limited experience in trading, in starting and running a business or a plant, or in opening and managing banking facilities. This is the case, for instance, in Burma, Indonesia and Thailand.

These factors are basic handicaps to efforts to stimulate economic development, and there is no simple solution. Some governments have sought to reduce their dependence on outside skills by requiring that foreign enterprises include a minimum number of national employees. Sometimes special priorities are given to nationals in the allocation of import permits. Although this is not a field normally related to an investigation of shortage of national technical skills, it is of major importance and a field where there is further need for detailed study.

#### *Regional Shortage of Supervisors, Skilled and Semi-skilled Workers*

Although, as already indicated, less specific information was available in respect of this group than on specialists in scientific and technical fields, the evidence available shows the universal shortage of what — for want of more specific information — are generically referred to as “artisans and mechanics.” In general it may be stated that countries of the region are particularly in need of supervisors and foremen and that the two main “group” fields of shortage are in respect of trained operatives in the construction and engineering trades.

There is a general realization of the position by governments and an appreciation of the opportunities available to them through technical assistance programmes,

with special reference to those of the International Labour Office. This agency now has an Asian Field Office for Technical Training which is already engaged in a four point programme for:

- (1) supervisor training through the “training within industry” (TWI) process, now internationally accepted as of tried value in this field;
- (2) organization and administration of national vocational training programmes;
- (3) organization and administration of apprenticeships;
- (4) organization and administration of vocational instructor training.

There are several avenues to the desired goal, of which a rapid expansion of on-the-job training is one of the more obvious and badly needed throughout the region. However, the “newer” countries and those now seeking to enter upon plans of industrial development have available to them not only diversified programmes and techniques tested by experience, but also a number of technical assistance programmes in which international agencies as well as individual countries can offer them advice and practical assistance in building up sound schemes of development for training both supervisory personnel and technical and vocational training staff — the two classes jointly forming the key to the growth of a skilled labour force.

#### ADDITIONAL REQUIREMENTS AND RECOMMENDATIONS FOR MEETING THEM

The foregoing analysis indicates the following needs in countries of the region in matters analogous to the field under review:

##### *Employment Information Programmes*

There exist in the region: —

- (i) a lack of adequately developed machinery for obtaining employment information on a systematic and continuing basis;
- (ii) a lack of standard techniques and procedures for employment market analysis;
- (iii) difficulties in distinguishing between short and long-term requirements for workers and between technical, skilled and semi-skilled and other manpower requirements.

Single one-time surveys — which only India has attempted in respect of scientific, technical and supervisory personnel — are of little enduring value for the purpose of planning and executing policy in the economic and employment fields. Where no state employment service exists, ad hoc arrangements are required for collecting and analysing employment market data.



### *Need for State Employment Services*

Two further types of machinery of great importance in organizing man-power are a national employment service and a national scheme for vocational and technical training. Countries of the region are increasingly aware of the need for the latter, but those without the former (India, Pakistan and Ceylon being notable exceptions) have hitherto been less aware of the value of making a start, however restricted in the first instance, in inaugurating employment exchanges in their main cities.

A national employment service cannot itself overcome shortages of trained personnel. It can, however, ensure the most effective use of all available trained personnel by indicating where the shortages and surpluses exist, thus pointing to effective action in relation to such matters as the scope and content of technical and vocational training and re-training, the selection and placement of trainees and the transfer and re-settlement of particular groups or categories of workers.

The international agency primarily concerned to help countries of the region in both of the above fields is the International Labour Office.

### *Need for including personnel requirements and training facilities as a part of any national plan for economic development*

Few countries when drawing up plans of economic development include *as an integral part of the plan itself*:

- (i) a list of requisites of technical and other personnel for the projects covered — in other words, a budget of personnel;
- (ii) a survey of available technical training facilities and requirements to meet present and future needs in relation to projects included in the plan.

Both should be regarded as an essential aspect of any national plan and, if available, would be an invaluable guide for international and other agencies operating technical assistance programmes.

## ASIAN ECONOMIC STATISTICS

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### SYMBOLS EMPLOYED

The following symbols have been used throughout this appendix:

.. = not available; — = nil or negligible.

I, II, III and IV for quarters of years.

Figures in italics are provisional.

Unless otherwise stated, the standard unit of weight used throughout is the metric ton.

The following symbols are used to represent the abbreviations of national currencies in Asia and Far East:

Rs. = rupees (Burma, Ceylon, India and Pakistan).

HK\$ = Hong Kong dollar.

Fl. = guilder (Indonesia).

Y. = yen (Japan).

W. = won (Republic of Korea).

M\$ = Malayan dollar (Malaya and British Borneo, embracing North Borneo, Brunei, Sarawak, Federation of Malaya and Singapore).

P. = peso (the Philippines).

Pr. = piastre (Indochina).

The term Malaya includes the Federation of Malaya and Singapore.

### SOURCES

To ensure comparability, data compiled by the United Nations Statistical Office have been taken as basic material wherever possible; material supplied by governments, publications of governments, the United Nations Organization and its specialized agencies and International Commodity Study Groups have been used as additional sources.

# I. PRODUCTION OF SELECTED COMMODITIES

(Monthly averages in thousand tons)

	1938	1946	1947	1948	1949	1949		1950					
						III	IV	I	II	III	July	Aug.	Sept.
COAL													
India a	2,400	2,516	2,540	2,525	2,664	2,620	2,730	2,852	2,663	2,612	2,338	2,631	2,866
Indochina	195	22	21	30	31	26	39	36	36	35	29	30	46
Indonesia	121	13	19	45	55	59	63	63	67	..	65	70	..
Korea, south	19	21	39	67	89	81	98	97	..	..	..	..	..
Malaya	40	19	19	32	33	34	32	37	33	37	35	38	37
Pakistan b	..	34	13q	20	28	24	30	45	39	28	23	35	27
Japan	3,484*	1,698	2,270	2,822	3,172	3,196	3,213	2,957	3,235	3,165	3,304	2,982	3,208
ELECTRICITY (mil. kwh)													
Burma	—	—	1	2	2	2	2	2	2	..	..	..	..
Ceylon	3	4	5	5	6	6	6	6	..	..	..	..	..
Hong Kong	..	..	9	13	18	19	21	21	24	26	25	26	27
India a	211	336	345	381	410	414	420	403	422	426	444	431	403
Korea c	225	19	23	41	55	56	55	..	..	..	..	..	..
Pakistan d	..	..	10q	11	14	14	14	10	..	..	..	..	..
Philippines e	12	12	..	30	35	36	37	37	37	..	39	40	..
Thailand	3r	3f	3	4	4	4	5	4	4	..	4	5	..
Japan r	2,062*	2,282	2,461	2,802	3,033	2,883	3,141	3,055	3,260	3,073	3,155	3,072	2,992
PETROLEUM, CRUDE													
Brunei	59	24	144	224	280	296	304	295	..	..	..	..	..
Indonesia	616	25	93	361	494	522	514	477	553	..	587	..	..
Pakistan	..	4	3s	5	10	11	13	12	15	15	15	16	14
Sarawak	17	..	2	4	5	5	5	5	..	..	..	..	..
Japan	29*	16	15	14	17	17	19	22	24	26	26	27	26
IRON ORE													
Hong Kong	..	..	..	—	5	6	6	12	18	15	16	17	12
India a	232	204	212	193	233	..	..	..	..	..	..	..	..
Malaya	137	..	..	..	1	..	3	22	40	54	46	45	72
Philippines	77	..	..	18t	31	28	54	54	26	..	..	..	..
Japan	52*	46	41	46	63	81	68	56	69	79	82	75	80
PIG IRON & FERRO-ALLOYS													
India p	131	122	122	124	136	142	146	145	131	139	140	136	141
Japan	173*	18	31	70	134	136	164	152	200	197	204	192	194
STEEL INGOTS & CASTINGS													
India	82	110	106	106	115	114	121	120	112	124	126	124	123
Japan	435*	47	78	143	259	261	319	339	398	404	403	408	400
FINISHED STEEL													
India	71	75	76	72	79	81	83	82	79	87	84	91	85
Japan	379*	38	54	105	185	187	229	245	277	273	255	274	290
TIN IN CONCENTRATES (tons)													
Burma	419	29	152	97	151	145	117	102	102	102	102	102	102
China	906*	229	364	406	356	305	305	305	305	305	305	303	305
Indochina	135	..	..	3	5	5	5	5	5	5	5	5	5
Indonesia	2,517	544	1,349	2,592	2,452	2,401	2,400	2,541	2,782	2,757	2,837	2,874	2,559
Malaya	3,673	714	2,288	3,795	4,649	4,745	4,889	4,833	4,970	4,883	5,152	4,828	4,669
Thailand	1,255	89	119	359	662	719	790	711	711	711	711	711	711
Japan	..	7	9	10	10	10	10	10	10	10	10	10	10
TIN METAL (tons)													
Malaya	5,397	977	2,482	4,209	5,312	5,302	6,012	5,698	5,733	6,252	5,318	6,982	6,456
NATURAL RUBBER g													
British Borneo h	2.4	2.4	4.4	5.2	5.1	5.6	5.0	6.6	6.6	7.6	9.2	6.8	7.0
Burma h	0.6	0.5	0.7	0.8	..	..	..	..	..	..	..	..	..
Ceylon	4.3	8.0	7.5	8.0	7.6	7.6	8.8	6.8	9.5	10	10	11	10
India	1.3	1.3	1.4	1.3	1.3	1.2	2.0	0.8	1.3	1.1	0.8	1.1	1.4
Indochina	5.1	1.7	3.2	3.7	3.6	4.1	5.1	2.7	3.2	4.2	4.1	4.7	3.9
Indonesia	27.0	15.0	23.5	36.6	36.5	39.1	42.5	38.9	60.8	66.0	64.4	68.0	65.6
Malaya	30.4	34.2	54.7	59.1	56.9	58.3	58.9	54.8	54.4	65.4	66.7	63.7	65.9
Thailand h	3.5	2.0	4.4	8.1	8.0	8.0	7.4	8.1	9.9	11.0	10.0	12.1	10.8
CEMENT													
Hong Kong	..	..	3	4	5	6	7	8	5	4	5	4	4
India a	119	173	147	131	178	180	209	221	207	220	214	223	224
Indochina	22	..	3	8	13	11	16	10	11	10	11	10	10
Korea c	53	1	1	1	2	1	3	3v	..	..	..	..	..
Philippines	14	4	11	10	17	18	19	20	23	..	..	..	..
Thailand	19r	3u	5	7	11	11	11	12	13	15	14	14	16
Japan	465*	77	103	154	273	296	335	275	337	372	339	358	419
COTTON YARN													
Hong Kong	..	..	..	..	0.9	..	..	1.6	2.0v	..	..	..	..
India a	48.7	52.8	49.8	54.3	51.4	50.0	49.3	45.7	45.9	42.0	48.7	42.5	34.9
Korea, south	..	0.3	0.5	0.5	1.1	1.1	1.5	..	..	..	..	..	..
Japan i	54.5*	4.8	10.2	10.4	13.1	13.4	14.9	15.6	18.5	20.6	20.0	20.2	21.5
COTTON FABRICS (million metres)													
India a	328	307	290	335	298	294	292	282	298	263	313	265	211
Korea c	11.44	1.68	2.33	2.14	4.85	5.08	6.84	5.79v	..	..	..	..	..
Philippines	..	..	0.53	0.65	0.36	0.38	0.49	0.61	0.79v	0.81	0.69	0.84	0.88
Japan i (million sq. metres)	243.6*	16.8	46.1	64.4	68.6	70.2	74.4	93.2	106.0	107.6	105.3	108.7	108.8

I. PRODUCTION OF SELECTED COMMODITIES (Contd.)  
(Monthly averages in thousand tons)

	1938	1946	1947	1948	1949	1949		1950					
						III	IV	I	II	III	July	Aug.	Sept.
JUTE MANUFACTURES													
India	107.2	92.2	89.0	92.0	78.1	70.9	71.7	72.7	63.8	74.4	71.2	78.0	74.0
COCONUT OIL													
Malaya	..	..	8.15	7.88	7.70	9.17	7.92	6.74	7.42	7.42	7.33	7.26	7.66
PALM OIL													
Malaya	4.32	1.00	3.31	3.83	4.28	4.46	4.46	4.22	4.60	4.41	4.43	4.66	4.15
SOAP													
India	..	..	6.77	6.38	6.33	5.99	7.42	5.49	5.49	..	..	..	..
Korea, south	..	..	..	..	0.42	0.77	0.22	..	..	..	..	..	..
Malaya	..	..	2.47	1.92	1.67	1.72	1.36	1.25	1.34	1.60	1.59	1.58	1.64
Japan	15.96*	1.33	0.45	1.16	2.12	1.36	3.14	4.58	7.16	8.74	6.98	8.48	10.76
PAPER													
India (including paper products)	49.28	8.19	7.49	7.15	8.74	8.90	8.61	8.76	9.14	9.50	9.42	9.53	9.57
Japan	88.12*	17.40	23.62	35.23	52.15	53.06	59.05	65.39	70.76	74.41	72.74	70.31	80.17
OTHER CHEMICALS													
India													
Sulphuric acid a	2.05r	3.40r	2.94q	2.33	8.42	8.60	9.14	7.43	8.89	9.07	8.91	9.14	9.17
Superphosphates	..	0.38	0.42	1.81	3.96	4.73	4.62	2.79	3.91	4.40	4.79	4.19	4.22
Soda ash	..	1.02	1.15	2.47	1.52	..	2.20	3.88	3.87	3.96	3.93	3.78	4.10
Caustic soda	..	0.25	0.28	0.37	0.53	0.50	0.67	0.86	0.92	0.96	0.93	1.01	0.93
Liquid chlorine	..	0.13	0.14	0.15	0.22	0.23	0.35	0.34	0.39	0.44	0.40	0.47	0.45
Bleaching powder	..	0.17	0.22	0.24	0.21	0.19	0.22	0.32	0.27	0.30	0.28	0.30	0.32
Power alcohol (mil. litres)	..	..	0.86	1.39	1.60	1.39	1.74	2.18	1.59	1.22	1.11	1.62	0.94
Industrial alcohol (mil. litres)	..	..	1.82	1.11	1.13	0.96	1.23	1.46	1.75	1.57	1.51	1.60	1.60
Japan													
Sulphuric acid k	240.9*	76.5	124.1	162.5	215.2	217.3	240.5	242.9	275.0	271.0	285.1	264.8	263.0
Ammonium sulphate l	72.9*	39.1	60.1	78.9	102.7	95.4	116.5	112.7	145.8	128.0	140.4	118.2	125.4
Calcium cyanamide l	17.9*	12.1	14.6	17.1	29.1	30.8	33.2	29.6	44.8	36.9	46.5	29.5	34.6
Calcium superphosphate m	119.8*	16.7	59.1	79.5	96.7	104.1	103.8	123.5	119.5	100.2	119.0	85.9	95.7
Soda ash (finished)	19.4r*	1.9	3.2	6.3	10.3	10.7	11.6	11.7	11.8	13.2	11.6	12.2	15.7
Caustic soda	24.9r*	2.4	3.6	9.0	12.1	12.3	12.2	12.2	14.3	17.2	16.4	17.3	18.0
Liquid chlorine	0.8r*	0.2	0.3	0.5	0.9	0.9	1.1	1.1	1.4	1.5	1.5	1.4	1.5
Bleaching powder	5.6r*	0.6	1.1	2.3	3.5	3.5	3.9	3.9	3.8	3.8	3.4	3.9	4.2
Dyestuffs	1.59*	0.14	0.23	0.44	0.55	0.46	0.40	0.56	0.59	0.66	0.48	0.74	0.78
Methyl alcohol	0.36*	0.38	0.36	0.63	0.92	0.91	1.15	1.44	1.46	1.73	1.34	1.52	2.32
Ethyl alcohol (mil. litres)	0.51*	1.32	1.58	2.41	2.15	1.05	3.06	2.06	2.69	1.79	2.29	1.95	1.12
MACHINERY PRODUCTS													
India													
Diesel engines (Units)	..	39	57	85	173	209	222	294	356	389	383	318	465
Electric motors (1000 h.p.)	..	3 82	3 17	5.00	5.67	5.80	5.13	5.29	6.41	7.12	6.26	6.59	8.51
Machine tools (1000 Rs.)	..	760	382	456	394	320	245	188	197	134	144	64	193
Sewing machines (Thousands)	..	0.51	0.49	1.67	2 09	2.21	2.40	2.35	2.65	2.79	2.93	2.93	2.51
Bicycles n (Thousands)	..	4.22	4.07	5.40	7 33	9.04	8.43	8.81	7.59	7.76	6.13	7.82	9.34
Electric transformers (1000 kva)	..	3.25	2 67	6.83	9 06	7.91	13.38	13.19	13.78	15.99	13.32	15.72	18.92
Electric lamps (Thousands)	..	676	635	771	1,137	1,107	1,286	1,249	1,207	1,180	1,193	1,204	1,144
Electric fans (Thousands)	..	9.20	13 33	15 00	14.92	13.99	11.39	17.55	18.83	19.03	19.91	18.44	18.75
Insulators, l. t. (Thousands)	..	..	119	209	187	64	273	215	75	73	67	97	55
Insulators, h. t. (Thousands)	..	..	6 18	7 49	11 40	13.03	12.00	14.51	10.56	15.76	11.07	13.76	22.46
Motor car batteries (Thousands)	..	2.26	5.84	9.17	8.92	5.81	13.36	15.42	16.23	17.22	17.20	16.95	17.50
Japan													
Railway locomotives (Units)	28*	19	12	3	9	15	4	6	8	14	22	12	8
Railway freight cars (Units)	406*	98	86	367	258	193	70	79	68	250	181	339	230
Industrial locomotives (Units)	37*	31	40	42	36	28	33	17	32	44	35	48	50
Industrial freight cars (Units)	592*	254	698	1,612	804	470	439	534	761	914	975	1,043	724
Motor vehicles (Units)	2,987†	1,546	1,850	3,917	5,547	5,441	5,324	5,311	5,347	6,484	6,025	6,639	6,789
Vessels (gross)	..	15 6	9.7	15.5	14.6	13.6	15.5	7.0	11.0	7.99	8.21	6.54	9.21
Diesel & other internal combustion engines (Units)	..	..	2,894	6,332	8,859	8,512	9,591	8,510	7,423	7,804	7,937	7,113	8,361
Ring spinning frames (Units)	..	..	..	153	153	145	155	122	131	181	168	176	199
Looms (Units)	..	..	990	3,070	3,390	2,568	1,589	1,405	1,638	2,684	2,566	2,547	2,938
Power transmission equipment	..	..	0 3	0 6	1 2	1 2	1 2	1 1	1 1	1 1	1 1	1 1	1 0
Pumps	..	..	1 2	1 2	1 2	1 1	0 8	0 8	0 8	0 8	0 7	0 8	0 9
Cranes, derricks, hoists & winches	..	..	1 2	1 4	1 7	1 6	1 6	1 8	2 3	1 8	1 8	2 0	1 5
Mining & excavating machinery	..	..	1 1	2 2	2 6	2 4	1 9	1 7	1 4	1 6	1 4	1 8	1 7
Iron & steel works & coke oven plant equipment	..	..	1.9	3 1	5.2	5.1	4.0	5 2	6.1	4.0	4.8	3.7	3.6
Chemical industry machinery & equipment	..	..	2.7	2.2	3.5	3.5	3.5	3.7	4.6	4.7	5.1	4.5	4.4
Pulp & paper industry machinery	..	..	0.1	0.3	0.4	0.4	0.3	0.3	0.3	0.5	0.6	0.4	0.5
Food products machinery	..	..	0.6	0.5	1.0	0.9	1 1	0 8	1.0	0.7	0.5	1 0	0 7

a Including Pakistan territory up to July 1947.

b Including lignite.

c Beginning 1946, South Korea only.

d Including production of establishments generating electricity for their own use.

e Manila.

f Beginning 1946, Bangkok only.

g Including latex.

h Net exports.

i Including mixed yarn or fabrics predominantly of cotton.

j Beginning 1949, data refer to the output of member mills of Indian Jute Mills Association.

k Converted to 50° Be.

l Converted to 20 per cent N2 content.

m Converted to 16 per cent phosphorous pentoxide content.

n With the exception of 1950, data include, in addition to complete bicycles, spare parts and accessories expressed in terms of complete cycles.

p Series includes direct castings, except for 1938.

q August-December.

r Annual figures, twelve months beginning 1 April of the year stated.

s September-December.

t December only.

u Average of three months, October to December.

v One or two months only.

w May - December.

\* 1936. † 1939. ‡ 1937. § 1940



## II. VOLUME OF TRAFFIC: RAILWAY, SEA-BORNE SHIPPING AND CIVIL AVIATION

(Monthly averages)

	1938	1946	1947	1948	1949	1949		1950						
						III	IV	I	II	III	July	Aug.	Sept.	
RAILWAY TRAFFIC														
Passenger-kilometres (millions)														
Burma	62.3q	..	37.8	36.3	4.8	2.5	5.0	10.7	..	..	..	..	..	..
India a, p	2,385b	5,390b	3,748r	4,880	5,143	4,946	5,128	4,960	5,768	5,058	5,227	4,947	4,999	6.6
Indochina	73.7	2.6	6.2	8.3	6.5	6.7	6.1	5.3	6.3	6.6	6.2	6.9	6.6	6.6
Korea c	169*	251	234	236	247s	236	290	..	..	..	..	..	..	..
Pakistan	..	..	389	511	685	732	720	..	..	..	..	..	..	..
Philippines d	39.6	..	18.9	23.9	31.0	25.8	28.8	28.9	35.8	25.7	27.1	23.1	27.0	27.0
Thailand	32.7s	63.2	86.7	108.9	..	..	..	..	..	..	..	..	..	..
Japan e, p	2,185*	7,287	7,343	6,595	5,585	5,621	5,388	4,984	5,931	5,452	5,483	5,572	5,300	5,300
Freight ton-kilometres (millions)														
Burma	90.8q	23.6q	48.1	47.8	3.9	0.8	2.5	2.6	7.9	..	..	..	..	..
India a, p	2,968b	3,620b	2,271r	2,812	3,317	3,157	3,367	3,322	3,354	3,370	3,197	3,347	3,565	3,565
Indochina	27.9	1.2	3.5	6.5	10.6	10.8	9.5	10.6	11.7	11.5	11.1	10.8	12.5	12.5
Korea c	185*	52	83	87	107s	102	111	..	..	..	..	..	..	..
Malaya	..	21.5	22.8	26.4	27.1	..	..	32.2	32.9	34.3	32.1	35.1	35.7	35.7
Pakistan	..	..	128	263	306	287	318	..	..	..	..	..	..	..
Philippines d	13.5	..	6.3	10.4	13.6	12.1	12.2	13.3	12.6	13.3	12.1	14.7	13.0	13.0
Thailand	50.3s	9.8	18.6	25.1	34.0	30.8	41.6	39.7	..	..	..	..	..	..
Japan e, p	1,305*	1,379	1,751	2,109	2,375	2,184	2,778	2,359	2,365	2,365	2,272	2,375	2,447	2,447
Freight tons (thousands)														
Ceylon q	77	116	94	104	107	104	101	110	106	..	..	..	..	..
Hong Kong	40	16	11.0	7.5	3.6	3.0	5.6	18.1	33.1	37.3	31.8	38.5	43.9	43.9
Indonesia	810	..	85f	292	415	501	430	399	416	470	446	485	479	479
INTERNATIONAL SEA-BORNE SHIPPING														
Entrances and clearances of vessels with cargo in external trade. (1000 net registered tons)														
Burma g	Entered 311p	46q	98q	118q	99	105	101	74	93	86	90	64	104	104
	Cleared 361p	36q	101q	157q	129	120	100	77	139	107	111	98	111	111
Ceylon	Entered 913	222	331	475	640	630	727	641	647	667	638	730	632	632
	Cleared 891	198	312	469	570	574	673	570	561	572	561	556	599	599
Hong Kong h, i	Entered 1,228	342	668	782	988	1,113	985	992	1,047	943	950	943	935	935
	Cleared 1,233	337	669	775	977	1,101	957	990	1,054	962	910	994	982	982
India	Entered 750b	407b	570b.t	646u	741	690	720	575	656	631	595	650	647	647
	Cleared 793b	370b	524b.t	570u	559	525	625	535	574	531	493	519	580	580
Indochina h, j	Entered 269	132	96	124	150	162	169	166	164	170	142	200	169	169
	Cleared 245	..	97	120	151	160	172	163	161	170	143	184	184	184
Korea h, k	Entered 1,088	3	90	25	31	21	30	..	..	..	..	..	..	..
	Cleared 1,083	3	91	25	30	19	27	..	..	..	..	..	..	..
Malaya	Entered 1,354	..	789	951	1,795	1,292	1,341	1,086	1,203	1,257	1,293	1,303	1,176	1,176
	Cleared 1,308	..	699	892	1,083	1,188	1,234	1,032	1,110	1,143	1,202	1,162	1,065	1,065
Pakistan p	Entered ..	..	128v	241	305	318	282	313	378	..	336	374	..	..
	Cleared ..	..	83v	176	214	193	195	242	241	..	303	387	..	..
Philippines	Entered 371t	124w	..	450	476	487	439	485	448	..	404	..	..	..
	Cleared 436t	59w	..	438	475	490	440	473	474	..	384	..	..	..
Thailand	Entered 72p	20	43	67	90	93	94	100	121	..	128	..	..	..
	Cleared 100	23	50	92	122	120	121	137	144	..	107	..	..	..
Japan	Entered 5,824t	200	623	948	1,541	1,668	1,595	776	860	871	828	822	952	952
	Cleared 5,785t	196	615	930	1,489	1,652	1,579	..	..	..	..	..	..	..
CIVIL AVIATION TRAFFIC I														
Passenger-kilometres (millions)														
Ceylon	..	..	..	0.36	0.95	1.15	1.05	0.82	0.87	..	0.69	..	..	..
India	0.11	8.19	19.03	24.23	26.22	23.94	27.54	30.22	34.23	30.25	29.54	30.61	30.59	30.59
Indonesia	..	..	..	8.49	10.44	11.11	12.04	13.42	11.26	12.16	12.5t	11.93	12.05	12.05
Philippines	0.21	8.28	10.75	14.57	..	..	..	..	..	..	..	..	..	..
Thailand	24.5p	0.01	0.42	0.93	1.57	1.58	1.47	1.53	1.57	1.57	1.51	1.61	1.59	1.59
Freight ton-kilometres (thousands)														
Ceylon	..	..	0.1	1.6	7.3	9.0	7.5	10.0	10.8	..	10.9	..	..	..
India	34	125	293	494	878	869	1,142	1,963	1,708	1,838	1,798	1,813	1,902	1,902
Indonesia	..	..	..	389	516	550	555	583	349	534	505	540	558	558
Philippines	..	245	455	540	..	..	..	..	..	..	..	..	..	..
Thailand	37.7p	0.1	5.5	16.9	28.9	29.2	33.4	30.1	37.0	54.1	66.8	54.5	41.0	41.0

a. Class I railways, broad and metre gauge only.

b. Including Pakistan territory.

c. Beginning 1946, South Korea.

d. Manila Railroad Company. Annual figures relate to 12 months ending 30 June of year stated.

e. State Railways only.

f. Beginning 1947, Federal area.

g. Total number of entrances and clearances made during each voyage and excluding sailing vessels.

h. With cargo and in ballast.

i. Beginning 1947, including river boats of more than 60 tons.

j. Port of Saigon.

k. Beginning 1947, South Korea.

l. Scheduled domestic and international routes, and except India, revenue traffic only.

m. Annual figures refer to 12 months beginning 1 April of year stated.

n. Annual figures refer to 12 months ending 30 September of year stated.

o. Average of four months, September-December.

p. Average of seven months, January to July.

q. Average of ten months, March to December.

r. 15 August 1947-31 March 1948.

s. Average of nine months, January-September.

t. 1936.

u. 1937.

### III. VALUE OF IMPORTS AND EXPORTS AND BALANCE OF TRADE \*

(Monthly averages in millions)

	1938	1946	1947	1948	1949	1949		1950					
						III	IV	I	II	III	July	Aug.	Sept.
<b>N. BORNEO (M\$)</b>													
Imports	0.5	..	1.7	2.1	2.8	..	..	2.7	3.6	..	4.0	3.9	..
Exports	0.8	..	1.4	2.5	3.1	..	..	4.8	5.7	..	7.4	7.6	..
Balance	+0.3	..	-0.3	+0.4	+0.3	..	..	+2.1	+2.1	..	+3.4	+3.7	..
<b>BURMA a (Rs.)</b>													
Imports	18	24	39	50	31	37	32	37	29	50	47	43	59
Exports	41	8	40	63	61	50	30	33	87	69	77	48	81
Balance	-23	-16	+1	+13	+30	+13	-2	-4	+58	+19	+30	+5	+22
<b>CEYLON (Rs.)</b>													
Imports	20	58	80	83	86	74	81	79	110	103	90	114	105
Exports	24	64	74	84	89	89	101	99	115	139	133	139	144
Balance	+4	+6	-6	+1	+3	+15	+20	+20	+5	+36	+43	+25	+39
<b>HONG KONG (HK \$)</b>													
Imports	52	78	129	173	242	272	283	285	273	299	241	296	359
Exports	51	66	105	134	206	236	258	227	256	352	299	351	406
Balance	-1	-12	-24	-39	-36	-35	-25	-58	-17	+53	+58	+55	+47
<b>INDIA b (Rs.)</b>													
Sea and air-borne													
Imports	130	278	372	463	467	488	458	334	450	485	428	541	487
Exports	142	266	340	360	395	337	468	493	330	422	370	428	489
Balance	+12	-12	-32	-106	-72	-151	+10	+159	-120	-63	-58	-113	-18
Land-borne													
Imports	..	..	..	71	26	50	14	4	24	55	45	70	49
Exports	..	..	..	25	22	29	19	3	9	21	11	22	31
Balance	..	..	..	-46	-4	-21	+5	-1	-15	-34	-34	-48	-18
<b>INDOCHINA (Pr.)</b>													
Imports	16	26	81	197	325	379	389	292	283	479	409	495	533
Exports	24	58	39	98	95	84	90	110	95	148	139	142	164
Balance	+8	+32	-42	-99	-230	-295	-299	-182	-188	-331	-270	-353	-369
<b>INDONESIA c (Fl.)</b>													
Imports	41	23	65	95	131	144	166	95	125	131	156	129	108
Exports	57	13	29	87	123	120	142	141	209	287	269	326	266
Balance	+16	-10	-36	-8	+3	-24	-24	+45	+84	+156	+113	+197	+158
<b>KOREA, SOUTH (US\$)</b>													
Imports	..	4.1	15.9	15.8	11.6	8.3	9.2	7.4	..	..	..	..	..
Exports	..	0.1	0.7	1.6	1.2	0.8	1.4	2.9	..	..	..	..	..
Balance	..	-4.0	-15.2	-14.2	-10.4	-7.5	-7.8	-4.5	..	..	..	..	..
<b>MALAYA d (M\$)</b>													
Imports	46	66	114	149	154	141	160	174	200	266	252	282	263
Exports	50	60	110	147	143	134	168	191	217	285	306	402	446
Balance	+4	-6	-4	-2	-11	-7	+8	+17	+17	+119	+54	+120	+183
<b>PAKISTAN e (Rs.)</b>													
Imports	..	..	20	99	98	124	73	71	81	108	70	122	134
Exports	..	..	65	85	76	51	63	91	106	122	106	129	133
Balance	..	..	+45	-14	-22	-73	-10	+20	+25	+14	+36	+7	-1
<b>PHILIPPINES f (P.)</b>													
Imports	22.1	49.3	85.2	97.6	94.8	72.9	98.4	64.8	59.8	47.8	54.7	52.5	36.2
Exports	19.4	10.7	44.1	53.0	42.3	41.9	37.0	45.3	49.4	60.0	50.3	71.6	58.1
Balance	-2.7	-38.6	-41.1	-44.6	-52.5	-31.0	-61.4	-19.5	-10.4	+12.2	-4.4	+19.1	21.9
<b>THAILAND g (Baht)</b>													
Imports	11	46	93	144	191	176	188	231	226	231	220	230	244
Exports	17	38	81	168	234	192	226	311	270	246	244	240	253
Balance	+6	-8	-12	+24	+45	+16	+38	+80	+44	+15	+24	+10	+9
<b>JAPAN h (U.S.\$)</b>													
Imports	89.2	19.1	43.6	56.9	75.4	78.2	55.0	79.5	82.0	66.3	62.9	68.2	67.9
Exports	92.4	6.5	14.5	21.5	42.5	42.7	40.2	47.9	59.7	70.1	63.0	71.9	75.5
Balance	+3.2	-12.6	-29.1	-35.4	-32.9	-35.5	-14.8	-31.6	-22.3	+3.8	+0.1	+3.7	+7.6

\* Monthly data are not published for Brunei and Sarawak. Annual figures converted into monthly averages are as follows:—

	1938	1946	1947	1948	1949
<b>Brunei (Mn. \$)</b>					
Imports	0.32	0.54	1.37	2.92	2.99
Exports	0.80	0.15	2.59	4.19	3.17
Balance	+0.48	-0.39	+1.22	+1.18	+2.18
<b>Sarawak (Mn. \$)</b>					
Imports	1.86	3.39	6.02	8.23	9.16
Exports	2.18	3.24	8.59	14.27	15.63
Balance	+0.32	-0.15	+2.57	+6.04	+6.47

a **BURMA**—For 1938 and 1946, sea-borne trade only. For 1938, twelve months starting April. For 1946, eight months ending September. For 1947, 1948 and 1949, twelve months ending September.

b **INDIA**—Annual figures twelve months starting April. Sea and air-borne trade. Figures for 1946 and April-July 1947 figures include Pakistan territory. Indo-Pakistan trade excluded from August 1947 to February 1948. Land borne trade: with Pakistan (incomplete).

c **INDONESIA**—Figures for the second quarter of 1950 have been corrected to exclude the price of the exchange certificates.

d **MALAYA**—Figures relate to trade in merchandise, parcel post, silver bullion, subsidiary coins and ships' stores and bunkers.

e **PAKISTAN**—Sea-borne trade only. For 1947, eight months ending March 1948 and excluding trade with India. For 1948 and 1949, twelve months starting April. Export figures are revised to include exports via the port of Calcutta.

f **PHILIPPINES**—Data for 1950 are supplied by the Central Bank of the Philippines.

g **THAILAND**—For 1938, twelve months starting April. Data for September 1950 is for the Port of Bangkok only, which account for more than 90% of the total trade of the country.

h **JAPAN**—Trade with Korea and Formosa included. For 1946 sixteen months' average from September 1945 to December 1946.

# IV. QUANTUM INDICES OF IMPORTS AND EXPORTS

(Base 1948 = 100)

	1938	1946	1947	1949	1949			1950					
					II	III	IV	I	II	III	July	Aug.	Sept.
<b>CEYLON</b>													
Imports	89	79	98	108	125	89	101	96	149	..	119	146	..
Exports	80	98	91	99	100	101	102	93	110	..	131	118	..
<b>INDIA a</b>													
Imports: All Commodities	106b	85b	100b	115c	135	114	95	69	96	104	94	116	104
Food, drink and tobacco	..	..	..	100c	112	91	97	67	46	78	55	56	121
Raw materials and Semi-manufactures	..	..	..	114c	125	115	101	77	179	153	140	217	119
Manufactures	..	..	..	121c	148	123	92	66	81	93	90	97	91
Exports: All Commodities	172b	114b	114b	102c	87	94	124	128	82	107	96	109	116
Food, drink and tobacco	..	..	..	117c	76	118	157	110	65	115	79	114	151
Raw materials and Semi-manufactures	..	..	..	96c	108	75	106	121	67	85	73	90	92
Manufactures	..	..	..	98c	81	94	119	138	95	113	112	115	113
<b>INDOCHINA</b>													
Imports	85	32	65	136	130	162	153	128d	128d	183	166	216	191
Exports	256	136	62	75	79	64	69	85	85	85	85	77	90
<b>MALAYA</b>													
Imports: All Commodities	81	..	85	101	109	96	103	114	129	..	..	..	..
Food, drink and tobacco	109	..	92	109	125	96	103	93	113	..	..	..	..
Raw materials and Semi-manufactures	83	..	106	82	74	82	87	91	141	..	..	..	..
Manufactures	66	..	73	107	118	103	111	133	131	..	..	..	..
Exports: All commodities	73	..	89	98	86	98	101	109	110	..	..	..	..
Food, drink and tobacco	162	..	102	96	92	92	107	102	97	..	..	..	..
Raw materials and Semi-manufactures	60	..	97	93	82	95	93	93	95	..	..	..	..
Manufactures	95	..	59	114	100	106	125	149	167	..	..	..	..
<b>PHILIPPINES</b>													
Imports	..	..	..	99	107	76	106	85	89	65	71	73	51
Exports	157	33	92	119	142	122	91	130	135	150	138	175	136

a. Base April 1948-March 1949. Average of calendar year for 1948 for imports is 94 and for exports is 102. New series beginning April 1949 is linked to the old.

b. Year beginning 1 April.

c. Average of nine months April to December.

d. Average of six months January to June.

## V. DIRECTION OF IMPORT TRADE

(Monthly averages in millions)

	1938	1946	1947	1948	1949	1949			1950					
						II	III	IV	I	II	III	July	Aug.	Sept.
Into Burma a in Rs. from														
China	—	..	..	1.4	2.7	0.2	0.7	0.9	0.2	1.7	..	7.3	..	..
Hong Kong	0.3	..	..	1.1	1.5	2.0	2.3	1.2	0.6	0.6	..	0.4	..	..
India	10.0	..	..	12.4	9.8	11.3	14.4	12.4	15.9	10.1	..	14.5	..	..
Indonesia	—	..	..	—	0.3	0.8	—	0.4	—	0.7	..	0.2	..	..
Malaya	0.5	..	..	1.7	2.8	3.3	2.2	2.0	1.1	0.9	..	2.7	..	..
Japan	1.2	..	..	0.3	1.2	1.1	2.2	3.3	0.8	0.6	..	7.3	..	..
United Kingdom	3.3	..	..	23.2	8.7	5.6	11.1	9.1	12.3	8.2	..	6.9	..	..
United States	0.6	..	..	1.8	1.1	0.4	0.6	0.6	1.6	1.3	..	1.4	..	..
Into Ceylon in Rs. from														
Burma	2.9	0.4	5.6	14.3	12.8	17.1	7.5	9.1	1.8	37.5	21.5	19.1	23.2	22.2
China	0.1	0.1	0.2	2.0	0.2	0.2	0.1	0.1	0.1	0.2	0.3	..	0.4	0.2
India	4.3	14.0	10.6	10.5	12.7	10.6	11.4	15.7	14.5	13.1	15.5	..	15.7	16.4
Indonesia	1.4	—	—	0.3	0.5	—	—	0.5	1.3	0.9	0.9	..	0.3	2.0
Malaya	0.2	0.2	0.2	0.3	0.4	0.3	0.2	0.8	0.8	0.4	1.3	..	0.7	2.8
Pakistan	—	—	—	0.9	1.0	0.9	1.3	0.8	0.9	1.3	1.3	..	1.4	0.9
Thailand	0.5	—	—	0.7	3.3	4.2	3.4	1.1	12.7	3.2	1.3	..	1.3	1.3
Japan	1.3	—	0.5	1.1	1.5	1.8	1.3	1.0	0.4	2.2	5.3	..	10.5	1.5
United Kingdom	4.0	9.2	12.8	14.3	15.4	16.6	14.4	16.5	16.3	16.2	21.0	21.1	18.9	22.9
United States	0.4	3.5	9.4	6.3	6.1	5.4	6.6	6.6	2.8	2.7	3.0	1.9	4.3	2.7
Canada	0.1	1.6	5.6	0.7	0.9	1.2	1.2	0.9	0.2	6.1	0.3	—	0.3	0.5
Australia	0.5	7.9	9.6	10.4	8.5	11.2	6.8	8.2	7.3	3.8	6.5	7.8	4.9	6.7
Into Hong Kong in HK\$ from														
N. Borneo	..	..	0.6	0.8	1.0	1.2	1.0	1.0	1.3	1.0	0.9	1.1	0.8	0.9
Burma	..	..	1.4	2.9	1.5	1.3	1.9	0.2	0.1	1.8	0.6	1.7	—	0.1
Ceylon	..	..	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	—
China	..	..	31.8	35.9	49.5	59.0	46.9	50.9	49.3	62.7	82.6	62.0	76.2	109.5
India	..	..	3.8	4.0	7.5	2.8	8.1	17.2	27.8	8.6	6.9	5.8	8.8	6.0
Indochina	..	..	1.7	2.5	1.8	2.0	2.3	1.7	2.0	1.6	4.7	6.7	5.8	1.5
Indonesia	..	..	1.8	3.4	3.3	2.7	2.2	5.7	5.8	6.1	6.1	4.8	7.3	6.2
Korea, South	..	..	—	3.5	3.1	3.0	3.1	3.2	4.8	2.3	0.5	1.0	0.3	0.1
North	..	..	—	4.6	4.9	4.2	4.7	4.3	1.6	0.5	1.5	—	—	—
Malaya	..	..	8.5	7.1	9.0	5.4	12.6	14.5	7.9	7.5	26.7	15.7	20.0	44.4
Pakistan	..	..	—	—	2.8	0.3	5.5	5.2	8.1	6.1	9.1	2.0	11.9	13.4
Philippines	..	..	1.2	0.8	1.3	1.8	1.3	1.0	0.8	1.5	1.2	1.8	0.9	0.8
Thailand	..	..	5.0	8.0	9.2	6.7	9.3	10.5	11.4	15.2	18.4	15.4	15.7	24.1
ECAFE TOTAL	..	..	56.0	69.0	94.8	91.3	93.1	110.9	123.9	116.2	157.8	118.6	147.8	207.0
Japan	..	..	3.0	6.6	6.7	7.5	7.1	3.5	4.0	6.3	17.8	8.4	19.0	25.9
United Kingdom	..	..	13.7	25.1	32.3	33.7	30.2	39.8	38.9	33.2	31.2	33.1	27.6	32.9
United States	..	..	24.9	32.3	47.9	51.0	46.3	57.6	57.0	56.3	45.0	37.3	47.8	49.8
Canada	..	..	1.7	3.0	4.8	4.1	5.6	6.2	4.3	3.7	3.5	3.7	3.0	3.8
France	..	..	1.4	1.9	2.8	3.3	2.8	2.5	3.7	5.0	2.2	2.5	2.9	1.1
Oceania	..	..	4.4	4.7	5.5	4.7	4.5	7.3	9.1	9.0	3.5	4.0	2.6	4.0
Into India b in Rs. from														
Burma	18.9	3.1	7.5	16.0	13.5	25.4	11.3	4.6	1.6	3.6	7.2	5.0	2.8	13.9
Malaya	3.2	3.2	6.6	5.8	10.5	10.6	11.5	9.8	10.1	10.3	16.1	13.4	19.2	15.6
Pakistan	..	..	—	12.5c	61.0	52.3	59.3	25.5	9.3	25.3	61.0	49.1	79.9	54.1
Japan	13.0	—	—	1.1	21.3	46.2	12.2	8.9	4.0	4.6	8.8	7.4	8.5	10.5
United Kingdom	40.1	84.1	93.8	113.5	144.4	169.6	141.8	99.5	86.5	103.8	98.2	99.1	93.0	102.4
United States	9.5	38.6	97.7	86.6	83.2	92.0	75.7	74.2	51.2	109.4	102.4	91.3	140.8	75.1
Canada	0.6	8.1	7.9	5.9	10.8	7.0	11.8	15.6	5.5	10.7	12.2	9.4	14.4	12.9
Australia	1.7	8.2	8.6	19.5	18.7	15.4	24.5	21.2	49.4	30.5	18.7	8.3	17.1	30.7
Into Indochina d in Pr. from														
China	1.2	—	0.3	8.9	10.6	10.1	13.3	11.2	8.7	10.5	10.0	8.4	11.2	10.3
Hong Kong	1.2	4.1	1.2	1.1	1.3	0.9	1.6	0.7	0.9	0.7	0.8	0.5	1.1	0.9
India and Pakistan	0.5	3.4	1.7	2.4	7.0	8.6	14.2	1.9	2.6	2.1	2.9	0.9	3.2	4.7
Indonesia	0.7	2.1	1.2	3.6	6.1	5.1	5.9	7.8	8.1	8.3	9.3	4.3	5.4	18.1
Thailand	0.3	—	0.4	5.3	3.3	4.6	3.7	3.7	2.3	2.3	1.9	0.5	3.5	1.6
United States	0.8	9.3	17.4	24.9	29.5	34.4	22.3	35.5	17.2	18.7	23.0	26.9	21.5	20.6
France	8.5	16.4	49.7	123.2	237.8	221.6	284.8	293.1	214.0	195.4	392.5	339.9	386.5	451.1
Into Indonesia in Fl. from														
Burma	0.6	0.2	1.2	2.0	4.0	3.6	5.5	6.4	0.4	13.8	7.0	6.4	9.5	5.1
China	0.7	0.2	3.0	2.3	2.5	5.4	1.6	1.1	0.5	2.1	0.8	0.6	0.5	1.3
Hong Kong	0.5	0.2	1.9	2.1	3.2	2.7	3.9	3.4	5.1	14.2	8.1	8.1	7.5	8.7
India	0.9	0.6	1.3	1.2	1.8	1.1	1.6	3.0	5.0	17.1	5.6	10.6	2.4	3.9
Malaya	3.4	1.5	4.4	2.6	2.7	2.0	1.3	4.5	3.5	8.3	6.1	9.9	4.6	3.9
Philippines	0.1	0.1	—	0.1	—	—	—	—	—	—	—	—	—	—
Thailand	0.2	2.2	0.9	2.7	4.7	4.9	3.7	5.1	2.5	2.8	2.4	1.3	1.3	4.6
Japan	6.0	—	5.1	15.6	9.3	6.6	10.5	6.7	7.5	38.0	13.5	18.4	11.5	10.6
Netherlands	8.4	1.7	9.6	18.4	28.0	28.4	31.4	34.8	19.1	47.7	21.0	21.4	24.1	17.5
United Kingdom	3.0	0.9	5.4	7.9	13.4	11.0	16.1	20.3	7.7	23.2	9.2	10.0	9.4	8.3
United States	3.6	13.4	25.5	21.2	33.2	32.6	31.3	46.0	19.0	63.1	30.6	41.8	30.8	19.3
Australia	1.1	0.4	1.5	2.7	0.5	0.3	0.5	0.7	0.2	0.7	1.3	0.3	1.8	1.8



V. DIRECTION OF IMPORT TRADE (Contd.)

(Monthly averages in millions)

	1933	1946	1947	1948	1949	1949			1950					
						II	III	IV	I	II	III	July	Aug.	Sept.
Into Malaya in M\$ from														
N. Borneo,	..	..	0.7	1.3	1.8	1.5	1.7	2.3	2.4	3.2	5.2	5.1	4.8	5.7
Brunei	..	..	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.5	0.3	0.5	0.6
Sarawak	..	..	4.1	6.4	6.8	8.6	6.2	6.8	8.7	9.9	17.0	11.4	22.5	17.0
Burma	..	..	2.7	7.7	6.9	11.7	6.3	1.9	2.0	3.4	3.5	1.7	7.4	1.4
Ceylon	..	..	0.2	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.3	0.2
China	..	..	10.2	9.5	7.8	10.6	7.3	4.5	8.6	10.5	11.8	14.4	10.3	10.6
Hong Kong	..	..	5.0	3.8	4.0	3.7	4.3	4.2	4.9	5.3	8.2	7.0	7.5	10.0
India	..	..	3.1	2.9	5.6	3.6	4.8	34.0	17.3	14.3	14.5	17.7	11.4	14.4
Indochina	..	..	0.9	2.5	1.8	2.5	1.8	1.0	1.4	1.6	1.5	1.3	1.3	2.0
Indonesia	..	..	21.8	29.4	26.5	24.8	25.2	32.8	33.1	44.8	74.9	55.2	85.3	84.3
Thailand	..	..	9.7	10.7	16.2	15.2	13.6	18.4	12.3	24.5	31.0	32.0	29.6	31.3
Japan	..	..	0.5	1.1	3.3	2.9	3.4	3.9	2.8	5.2	10.4	8.9	11.4	11.0
United Kingdom	..	..	22.0	28.7	31.9	34.7	28.4	34.00	40.3	36.6	40.9	44.9	42.4	35.3
United States	..	..	11.5	17.4	9.4	10.6	8.4	8.4	6.5	6.1	25.0	7.0	7.7	60.2
Canada	..	..	1.6	1.9	1.5	1.2	1.5	1.1	2.2	1.0	1.3	1.8	0.7	1.3
Oceania	..	..	7.2	7.9	8.9	10.8	7.4	8.7	9.2	9.6	9.3	11.3	10.1	6.4
Into Pakistan e in Rs. from														
Burma	..	..	..	0.7	2.0	0.9	5.5	1.4	..	0.2	0.4	0.4	0.6	0.1
Ceylon	..	..	..	2.4	1.4	0.5	1.5	1.9	..	1.4	4.1	3.1	5.7	3.5
China	..	..	..	5.7	4.5	8.3	5.8	2.3	..	2.4	6.7	4.0	6.5	9.5
India	..	..	..	37.4	14.2	18.4	21.6	9.0	..	9.1	12.2	5.3	15.8	15.4
Malaya	..	..	..	1.8	0.8	1.2	0.6	0.7	..	0.9	1.3	..	2.0	2.0
Japan	..	..	..	0.8	7.3	3.6	7.9	3.0	..	13.4	12.1	5.0	8.8	22.6
United Kingdom	..	..	..	22.5	29.0	41.6	35.3	21.5	..	20.9	29.2	21.5	32.6	33.6
United States	..	..	..	6.6	10.0	11.0	13.0	8.5	..	7.8	10.4	8.6	15.3	7.3
Into Philippines f in Ps. from														
Burma	..	..	..	..	0.3	0.5	..	0.2	..	..	..	..	..	..
China	..	0.8	2.4	3.8	1.7	2.2	1.2	..	7.1	..	..	..	..	..
Hong Kong	..	..	..	0.1	0.2	0.2	0.3	..	1.1	..	..	..	..	..
India	..	0.2	0.7	1.1	0.9	0.6	1.2	..	0.4	..	..	..	..	..
Indonesia	..	0.2	0.4	2.5	2.7	2.6	2.8	..	0.3	..	..	..	..	..
Thailand	..	0.5	0.4	0.1	0.9	1.6	0.1	..	0.2	..	..	..	..	..
Japan	..	..	0.2	0.3	2.7	1.4	4.0	..	3.1	..	..	..	..	..
United Kingdom	..	0.2	0.5	0.9	0.8	0.8	0.8	..	0.8	..	..	..	..	..
United States	..	43.1	73.3	78.3	76.3	84.7	67.9	..	48.4	..	..	..	..	..
Into Thailand g in Baht from														
Burma	..	0.4	0.3	0.4	0.9	1.7	..	..	..	..	..	..	..	..
China	1.4	3.1	4.9	11.1	8.3	12.4	4.2	..	..	..	..	..	..	..
Hong Kong	0.1	17.9	35.4	36.3	33.3	41.7	24.9	..	..	..	..	..	..	..
India	1.3	..	1.5	2.9	13.3	15.0	11.6	..	..	..	..	..	..	..
Indochina	0.1	3.5	3.7	2.2	0.5	0.9	..	..	..	..	..	..	..	..
Indonesia	0.8	0.4	0.3	1.2	4.9	5.6	..	..	..	..	..	..	..	..
Malaya	1.0	16.5	20.5	47.5	30.1	33.5	4.3	..	..	..	..	..	..	..
Philippines	..	0.1	1.3	1.1	0.6	0.7	26.7	..	..	..	..	..	..	..
Japan	1.6	..	..	3.4	15.7	11.0	0.4	..	..	..	..	..	..	..
United Kingdom	6.6	1.1	8.5	10.0	16.5	15.5	20.5	..	..	..	..	..	..	..
United States	1.1	2.8	26.0	13.0	29.7	29.4	30.1	..	..	..	..	..	..	..
Into Japan h in US\$ from														
China	22.9	0.3	0.4	2.1	3.8	4.3	2.9	4.5	8.2	4.6	4.4	6.8	3.6	2.7
Hong Kong	..	..	0.4	0.3	..	..	0.1	..	..	..	..	..	..	..
India	4.1g	..	0.8	2.3	1.1	2.3	1.5	0.3	1.5	2.0	0.3	0.3	0.2	0.4
Indonesia	2.1	..	0.1	1.0	1.3	1.9	1.2	1.0	0.6	1.1	1.0	1.3	1.2	0.4
Malaya	2.4	..	0.4	0.9	1.8	1.4	2.8	1.3	0.9	1.2	4.3	3.0	5.3	4.7
Korea	16.5	..	0.2	0.4	0.3	0.6	0.2	0.2	0.1	4.7	0.2	0.4	0.1	..
Philippines	0.8	..	0.2	0.8	1.1	1.8	0.7	0.8	1.7	1.1	1.8	1.7	2.9	0.9
United Kingdom	1.5	..	0.8	0.4	0.5	0.5	0.3	0.3	0.5	0.5	0.2	0.3	0.3	0.1
United States	21.7	18.6	40.3	36.7	48.0	59.4	51.5	30.4	35.3	37.6	30.7	30.5	24.0	37.6
Australia	2.0	..	0.1	0.7	2.3	2.5	1.4	2.5	7.0	4.5	2.1	2.5	2.9	0.9
Canada	2.2	..	..	0.3	0.5	0.4	0.5	0.1	2.1	1.5	0.9	2.4	0.1	0.1

a. Burma: Prewar data refer to period October 1938 to September 1939; 1948 and 1949 annual figures refer to twelve months ending September.

b. India: 1947 figures are averages for January-July, and 1948 are averages for nine months, April-December.

c. Excluding imports from Pakistan by land in 1948.

d. Indochina: Data for 1946 are averages for August-December and for 1947 averages for April-December.

e. Pakistan: Sea and airborne trade only. Annual figures for 1948 and 1949 are for years beginning 1st April.

f. Philippines: Figures for second quarter of 1949 refer to average of first six months.

g. Thailand: Prewar data refer to year ending March 1940. Figures for second quarter of 1949 refer to average of first six months. Averages for third and fourth quarters of 1949 are figures for the Port of Bangkok only, which account for more than 90% of the total trade of the country. Annual figures for 1949 are simple averages of these statistics and are, therefore, provisional.

h. Japan: Imports from India include Burma and Pakistan in 1938 and Pakistan in 1947 and 1948.

# VI. DIRECTION OF EXPORT TRADE

(Monthly averages in millions)

	1938	1946	1947	1948	1949	1949			1950						
						II	III	IV	I	II	III	July	Aug.	Sept.	
FROM BURMA a* in Rs. to															
Ceylon	2.2	..	..	11.6	11.6	11.9	6.2	7.4	9.4	27.0	..	19.6	..	..	
China	0.2	..	..	3.7	8.1	4.1	1.7	2.1	0.2	1.6	..	0.4	..	..	
Hong Kong	0.3	..	..	1.6	1.0	1.0	0.9	0.2	—	1.5	..	—	..	..	
India	22.0	..	..	25.2	23.1	23.7	13.8	0.5	2.3	11.0	..	24.2	..	..	
Indonesia	0.6	..	..	2.7	3.9	7.0	4.4	6.8	2.0	10.7	..	16.4	..	..	
Malaya	2.8	..	..	10.1	8.1	12.8	5.3	2.3	2.1	6.3	..	1.4	..	..	
Pakistan	..	..	..	..	2.8	1.4	6.6	—	0.3	0.4	..	0.6	..	..	
Philippines	—	..	..	0.2	0.9	2.2	1.2	—	—	—	..	—	..	..	
Japan	0.8	..	..	0.1	1.3	1.1	2.7	6.5	6.1	14.6	..	6.8	..	..	
United Kingdom	5.7	..	..	5.6	3.2	3.1	4.0	2.6	2.0	2.3	..	2.0	..	..	
United States	0.1	..	..	0.6	0.5	0.1	—	0.1	0.1	0.1	..	—	..	..	
FROM CEYLON in Rs. to															
India	0.7	3.0	2.9	1.7	1.7	1.2	3.1	0.4	1.3	0.3	2.3	1.0	2.8	3.0	
Pakistan	..	..	..	1.5	1.8	0.5	1.4	3.0	1.7	3.3	5.0	6.4	4.9	3.8	
Japan	0.1	..	—	0.1	0.4	0.3	0.8	0.1	—	—	0.1	0.1	0.1	—	
United Kingdom	11.8	33.4	25.4	25.1	27.9	33.9	34.6	26.7	19.5	22.6	39.6	51.1	31.9	35.9	
United States	2.8	7.3	10.0	13.8	9.5	8.5	5.8	13.5	20.5	22.0	33.7	28.6	37.3	35.1	
Canada	0.8	1.1	4.7	3.3	3.7	2.0	3.5	5.1	5.9	8.9	6.8	7.3	7.8	5.5	
Australia	0.9	..	5.9	7.0	7.0	6.9	8.5	5.6	7.3	14.1	7.8	10.2	7.2	5.9	
New Zealand	0.5	1.5	1.9	1.8	2.8	4.9	1.3	2.8	3.6	6.1	0.6	0.1	1.4	0.2	
From HONG KONG in HK\$ to															
N. Borneo	..	..	0.6	0.6	0.8	0.7	0.9	1.1	0.9	1.1	1.6	1.1	2.0	1.7	
Burma	..	..	0.6	1.0	1.5	2.1	2.0	1.2	0.9	4.7	3.2	0.6	6.5	2.4	
Ceylon	..	..	0.6	0.6	0.5	0.4	0.3	0.4	0.1	0.7	1.2	1.2	1.2	1.1	
China	..	..	22.2	23.4	48.7	29.1	54.7	88.7	90.3	79.2	127.2	94.2	113.5	173.9	
India	..	..	2.2	4.0	3.2	3.5	3.7	2.2	1.2	1.2	2.4	2.1	1.9	3.2	
Indochina	..	..	1.5	1.6	1.6	1.8	2.0	1.2	1.3	2.7	1.9	1.6	3.1	1.1	
Indonesia	..	..	4.4	5.7	4.6	6.1	3.0	3.3	4.8	12.4	10.1	6.3	11.0	13.0	
Korea, South	..	..	..	6.2	5.9	7.9	6.5	4.3	3.1	..	..	..	..	..	
North	..	..	—	4.9	4.1	1.7	3.4	3.6	1.3	1.3	..	..	..	..	
Malaya	..	..	17.9	17.1	20.0	18.4	24.6	19.6	23.8	30.6	52.4	47.0	49.4	60.7	
Pakistan	..	..	—	..	4.5	1.7	1.1	1.6	4.0	5.6	23.9	28.6	25.2	18.0	
Philippines	..	..	5.1	11.4	8.6	8.3	8.9	10.0	3.0	7.2	8.0	4.5	10.1	9.5	
Thailand	..	..	7.2	11.7	9.7	14.1	4.8	5.3	5.9	7.0	13.2	11.5	18.4	9.6	
ECAFE TOTAL															
Japan	..	..	62.2	81.8	109.5	93.8	115.9	142.9	141.6	156.8	245.1	198.8	242.6	294.0	
United Kingdom	..	..	1.3	4.1	5.8	7.2	5.2	5.6	10.3	8.2	8.1	8.1	6.0	10.3	
United States	..	..	3.2	6.3	11.6	11.0	10.5	10.8	11.3	21.3	11.7	10.6	12.7	11.9	
Canada	..	..	12.6	12.7	19.5	15.9	22.7	27.1	16.2	22.4	35.7	31.3	42.3	33.5	
Oceania	..	..	0.2	0.6	1.2	2.3	1.4	0.7	0.8	0.8	0.9	0.6	0.9	1.2	
	..	..	1.0	1.7	3.4	2.6	5.2	4.0	3.4	3.2	3.7	4.9	4.2	2.0	
FROM INDIA b in Rs. to															
Burma	8.4	5.5	11.1	10.0	7.8	6.6	10.4	11.2	16.8	7.3	11.6	10.9	11.8	12.0	
Ceylon	4.2	11.7	11.4	9.5	11.9	10.2	10.5	15.9	15.4	10.3	15.0	16.0	12.7	12.2	
China	1.3	10.8	5.2	5.6	1.8	1.6	0.5	3.6	2.1	0.4	4.0	3.2	5.2	3.7	
Pakistan	..	..	..	40.6c	43.5	49.5	42.7	31.1	9.0	16.8	42.3	21.7	40.8	64.9	
United Kingdom	46.0	58.5	78.7	78.3	93.4	78.0	94.2	110.4	87.8	75.5	94.5	71.5	95.3	116.6	
United States	11.2	58.4	61.2	59.7	57.1	43.2	46.4	84.5	84.6	60.0	84.5	73.7	91.3	97.4	
Canada	1.7	5.8	9.3	6.9	7.6	5.5	6.2	11.5	12.9	8.7	10.6	8.5	12.0	11.2	
Australia	2.5	9.3	14.5	17.2	20.4	17.3	22.8	24.7	21.7	19.0	26.0	22.9	28.6	26.6	
FROM INDOCHINA d in Pr. to															
China	0.6	2.8	0.3	2.1	0.6	0.9	0.6	0.4	0.4	0.5	0.6	0.1	—	1.6	
Hong Kong	2.3	1.8	1.3	11.2	13.2	16.4	16.5	11.1	11.9	13.1	23.8	42.3	15.7	13.5	
Malaya	2.5	5.1	4.0	9.4	9.9	9.9	5.8	10.1	5.4	—	10.9	11.7	13.6	7.5	
Thailand	0.1	—	0.7	3.7	4.9	3.8	4.6	5.8	4.2	2.9	1.4	2.2	0.6	1.3	
United States	2.1	6.2	2.5	2.2	1.0	0.6	0.3	1.9	35.4	5.9	26.7	14.6	28.9	26.5	
France	11.4	39.2	18.0	42.6	45.6	30.7	45.5	46.1	37.1	25.7	71.2	55.1	67.6	91.0	
FROM INDONESIA in Fl. to															
Burma	—	—	—	—	0.2	0.4	0.1	0.1	—	—	—	—	—	—	
Hong Kong	1.1	0.1	0.6	1.6	1.0	0.7	1.3	1.0	1.1	2.3	1.2	0.8	1.3	1.6	
India	0.4	—	—	0.1	0.5	1.0	0.4	0.6	0.4	1.6	1.7	1.7	0.6	2.8	
Malaya	10.7	0.8	6.1	16.6	29.8	27.5	34.1	32.9	38.6	103.1	108.5	90.4	129.5	105.6	
Philippines	0.5	—	0.1	0.8	1.1	1.1	1.2	1.1	1.1	3.3	1.7	1.6	1.6	1.9	
Thailand	0.2	—	—	0.3	0.8	1.0	0.5	0.6	1.2	1.7	1.4	1.0	1.7	1.4	
Japan	1.8	—	0.4	2.1	2.8	3.9	1.6	2.6	1.8	6.7	2.6	3.7	0.8	3.2	
Netherlands	11.5	5.6	12.9	31.0	41.2	33.4	34.3	54.5	50.6	114.2	59.9	56.0	75.3	48.4	
United Kingdom	3.1	0.2	0.7	1.7	5.5	3.4	8.9	7.6	3.7	14.6	11.5	11.7	13.3	9.6	
United States	8.2	5.8	5.3	15.2	19.4	20.2	19.6	21.7	15.8	60.1	51.4	48.7	51.7	53.9	
Australia	2.4	—	0.2	0.8	1.8	1.8	2.3	2.6	2.4	8.1	5.1	5.1	5.6	4.6	

# VI. DIRECTION OF EXPORT TRADE (Contd.)

(Monthly averages in millions)

	1938	1946	1947	1948	1949	1949			1950					
						II	III	IV	I	II	III	July	Aug.	Sept.
From Malaya in M\$ to														
N. Borneo	..	..	0.8	1.2	1.6	1.6	1.5	1.9	2.0	2.2	2.9	3.0	2.5	3.3
Brunei	..	..	0.1	0.2	0.4	0.3	0.3	0.4	0.5	0.5	0.6	0.5	0.5	0.8
Sarawak	..	..	2.1	2.6	2.3	2.4	2.1	2.3	3.3	4.1	5.4	5.7	3.7	6.9
Burma	..	..	0.7	1.0	1.0	1.4	1.0	0.8	0.8	0.7	1.4	1.5	1.2	1.5
Ceylon	..	..	0.2	0.8	2.3	2.5	0.9	4.1	1.9	2.1	1.6	1.5	1.2	2.2
China	..	..	0.7	1.3	0.7	0.5	0.5	0.5	—	0.2	8.5	2.7	8.0	14.7
Hong Kong	..	..	4.1	3.4	5.5	3.5	6.2	10.0	6.3	6.2	17.9	9.1	23.3	21.3
India	..	..	4.3	5.3	5.1	6.8	6.5	3.1	4.4	4.7	9.5	10.4	9.6	8.4
Indochina	..	..	0.3	0.7	0.7	0.7	0.6	0.5	0.7	0.7	1.6	1.3	2.2	1.2
Indonesia	..	..	10.5	16.1	11.6	10.9	10.5	12.0	14.0	17.7	21.3	14.8	18.5	30.5
Korea	..	..	—	—	0.1	0.5	—	—	—	0.4	—	—	—	—
Pakistan	..	..	—	0.6	0.8	0.9	0.6	0.2	0.5	0.8	1.8	2.0	2.1	1.2
Philippines	..	..	0.1	0.5	3.9	0.7	0.5	1.2	1.3	1.3	1.8	1.4	3.4	0.5
Thailand	..	..	1.3	4.1	3.8	3.8	3.4	4.6	5.3	5.0	8.4	7.4	10.0	7.7
ECAFE TOTAL	..	..	25.2	37.9	36.7	36.5	34.6	41.5	41.1	46.7	82.6	61.4	86.2	100.2
Japan	..	..	1.1	1.6	2.5	1.3	2.6	3.4	2.3	3.6	16.0	12.1	13.6	22.2
United Kingdom	..	..	17.3	20.0	17.0	13.1	17.6	18.8	27.5	29.6	50.6	41.3	46.9	63.6
United States	..	..	36.6	38.2	35.8	23.6	31.3	48.3	50.8	63.7	89.6	67.9	101.1	99.9
Canada	..	..	3.7	3.7	3.0	1.7	2.1	3.6	4.3	3.8	9.5	7.4	8.3	12.7
Oceania	..	..	3.5	5.1	7.2	6.3	7.7	8.8	11.7	10.2	15.2	15.4	16.2	14.0
From Pakistan e * in Rs. to														
Burma	..	..	..	0.3	0.1	0.2	0.1	0.1	..	9.2	0.1	0.3	—	—
Ceylon	..	..	..	1.2	0.6	1.0	0.6	0.4	..	0.8	0.7	0.9	0.6	0.5
China	..	..	..	2.7	1.0	0.3	1.5	1.6	..	3.6	1.3	1.9	1.1	0.9
Hong Kong	..	..	..	2.1	4.9	0.3	7.9	2.5	..	13.4	9.6	15.9	7.5	5.4
India	..	..	..	19.1	7.1	20.2	6.4	1.1	..	2.2	9.2	4.0	12.4	11.1
Malaya	..	..	..	0.1	0.1	—	0.2	—	..	1.1	0.1	—	0.1	0.1
Thailand	..	..	..	—	—	—	—	—	..	—	0.1	—	0.3	0.1
Japan	..	..	..	1.0	4.4	13.4	1.0	2.9	..	10.3	23.5	26.5	21.2	22.8
United Kingdom	..	..	..	12.3	14.7	14.4	8.2	14.3	..	14.4	13.4	7.5	17.2	15.6
United States	..	..	..	10.9	10.0	11.7	7.5	6.3	..	8.1	10.3	5.4	11.9	13.5
From Philippines f * in Ps to														
China	..	0.1	0.2	0.3	0.1	0.1	0.1	—	0.2	..	..	..	..	..
Hong Kong	..	0.2	0.5	0.5	0.8	1.0	0.5	—	0.5	..	..	..	..	..
India	..	—	0.4	0.3	0.3	0.4	0.2	—	0.1	..	..	..	..	..
Indonesia	..	—	0.8	0.9	0.4	0.1	0.7	—	—	..	..	..	..	..
Korea	..	—	—	0.3	—	—	0.1	—	0.1	..	..	..	..	..
Malaya	..	—	1.2	0.1	0.1	0.1	0.1	—	—	..	..	..	..	..
Thailand	..	—	0.1	0.1	—	—	—	—	0.1	..	..	..	..	..
Japan	..	—	0.4	2.6	1.9	2.5	1.3	—	2.3	..	..	..	..	..
United Kingdom	..	0.4	1.4	0.6	0.5	0.6	0.5	—	0.9	..	..	..	..	..
United States	..	6.4	25.4	34.8	30.6	31.7	29.6	—	36.6	..	..	..	..	..
From Thailand g in Baht to														
N. Borneo	—	—	0.4	2.1	2.3	3.6	1.0	—	..	..	..	..	..	..
Burma	—	—	0.3	1.5	0.7	1.4	0.1	—	..	..	..	..	..	..
Ceylon	0.5	—	0.1	1.4	8.5	10.4	6.6	—	..	..	..	..	..	..
China	0.2	1.0	4.3	21.7	7.3	13.8	6.8	—	..	..	..	..	..	..
Hong Kong	2.0	12.4	18.0	16.3	17.3	16.7	17.9	—	..	..	..	..	..	..
India	2.0	—	4.0	16.7	31.2	46.2	16.2	—	..	..	..	..	..	..
Indochina	—	—	0.5	1.0	0.3	0.6	—	—	..	..	..	..	..	..
Indonesia	0.2	—	0.6	8.0	12.8	14.2	11.5	—	..	..	..	..	..	..
Korea	—	—	0.6	1.9	0.3	—	0.1	—	..	..	..	..	..	..
Malaya	10.7	15.5	32.4	39.6	51.8	66.2	37.4	—	..	..	..	..	..	..
Philippines	0.2	2.3	1.0	5.5	4.4	5.6	3.3	—	..	..	..	..	..	..
Japan	1.0	—	—	0.5	14.2	11.5	16.9	—	..	..	..	..	..	..
United Kingdom	0.4	0.2	2.0	4.5	9.3	12.7	5.9	—	..	..	..	..	..	..
United States	0.1	4.7	10.1	36.8	36.3	42.9	17.7	—	..	..	..	..	..	..
From Japan * in US\$ to														
China	35.0	0.3	0.8	0.3	1.0	0.2	1.4	1.8	3.2	3.8	1.8	1.6	1.5	2.2
Hong Kong	..	..	..	..	..	..	..	..	..	..	..	..	..	..
India	4.5h	—	0.7	0.7	5.4	6.3	2.4	1.3	0.9	1.6	1.9	2.4	1.8	1.6
Indonesia	2.5	—	2.0	4.7	2.3	6.8	0.4	0.9	3.5	3.3	3.5	1.3	3.2	6.1
Korea	21.6	0.9	1.6	1.5	1.4	1.5	1.0	1.2	1.8	1.4	0.9	0.5	1.1	1.0
Malaya	0.5	—	0.3	0.5	1.3	0.5	1.6	2.1	0.4	2.0	1.7	2.3	1.4	1.3
Philippines	0.2	—	0.1	0.3	1.8	1.5	1.8	3.1	1.8	0.7	0.6	0.7	0.5	0.5
United Kingdom	3.2	0.1	1.7	1.4	3.5	4.6	5.4	1.4	1.2	2.9	2.4	2.6	2.2	2.4
United States	10.1	4.8	1.7	5.5	6.6	6.0	5.8	8.0	11.4	13.5	17.7	15.5	18.5	19.0

\* Including Re-exports.

a. Burma: Prewar data refer to period October 1938 to September 1939; 1948 and 1949 annual figures refer to twelve months ending September

b. India: 1947 figures are averages for January-July, and 1948 are averages for nine months, April-December.

c. Excluding exports to Pakistan by land in 1948.

d. Indochina: Data for 1948 are averages for August-December and for 1947 averages for April-December.

e. Pakistan: Sea and airborne trade only. Annual figures for 1948 and 1949 are for years beginning 1st April.

f. Philippines: Figures for second quarter of 1949 refer to average of first six months.

g. Thailand: Prewar data refer to year ending March, 1940. Figures for second quarter of 1949 refer to average of first six months. Averages for the second half year of 1949 are figures for the Port of Bangkok only, which account for more than 90% of the total trade of the country. Annual figures for 1949 are simple averages of these heterogeneous statistics and are, therefore, provisional.

h. Japan: Exports to India include Burma and Pakistan in 1938 and Pakistan in 1947 and 1948.

# VII. QUANTITIES OF EXPORTS OF SELECTED COMMODITIES

(Monthly averages in thousand tons)

	1938	1947	1948	1949	1949		1950					
					III	IV	I	II	III	July	Aug.	Sept.
<b>RICE</b>												
Burma	253.3	67.0	102.2	99.2	86.9	53.4	50.4	146.0	113.6	130.9	118.9	91.0
Thailand	115.4	32.9	67.6	101.3	70.8	90.5	115.8	135.1	115.7	89.2	118.8	139.2
Indochina	77.8	3.6	13.4	7.8	3.9	0.5	11.0	12.8	6.1	6.9	8.0	3.5
<b>TEA</b>												
Ceylon	8.9	10.9	11.2	11.6	11.7	11.2	8.7	12.9	12.1	14.7	12.5	9.2
China	3.5	1.4	1.5	..	..	..	..	..	..	..	..	..
India	13.4a	16.1a	14.2	16.1	18.8	23.6	13.5	7.5	15.7	8.6	16.8	21.8
Pakistan	..	..	..	1.2	0.9	2.5	2.1	0.1	0.1	—	0.1	0.2
Indochina	0.2	—	—	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Indonesia	6.0	0.3	0.8	1.8b	1.9	2.1b	1.5	2.1	3.1	2.2	5.2	1.8
Japan	1.4	0.3	0.3	0.6	0.9	0.2	0.4	0.4	0.6	0.6	0.7	0.6
<b>COPRA AND COCONUT OIL c</b>												
Ceylon	8.7	5.1	9.2	8.6	8.7	9.0	3.4	4.9	8.2	7.4	9.3	7.9
Hong Kong d	0.1	1.6	0.7	0.3	0.4	0.3	0.2	0.3	0.5	0.6	0.5	0.5
Indonesia e	25.8f	7.6	12.1g	15.8	15.9	12.8	11.9	16.0	..	13.5	13.9	..
Malaya	13.4	4.0	7.1	9.8	12.4	11.1	7.7	9.5	11.6	9.2	11.7	13.9
N. Borneo	0.4	0.2	0.3	0.8	1.0	1.1	1.3	1.4	1.5	1.6	1.3	1.7
Philippines	28.9f	51.2	35.3	33.4	39.8	36.5	26.0	28.4	53.9	46.9	57.1	57.6
Sarawak	0.1	—	0.1	0.2	0.2	0.3	0.2	0.2	0.3	0.3	0.3	0.3
Thailand	..	..	..	0.3	0.5	0.4	..	..	..	..	..	..
<b>PALM KERNELS AND OIL e</b>												
Indonesia h	14.2	0.2	3.3	8.5	9.2	12.5	5.6	8.0	..	16.1	9.1	..
Malaya	3.1	4.1	4.4	5.0	4.8	4.7	5.2	4.6	6.6	6.0	6.4	7.3
<b>GROUND NUTS AND OIL c</b>												
Hong Kong	1.2	0.2	0.4	0.7	1.2	1.0	1.5	2.8	1.5	1.9	0.5	2.2
India	22.0	3.0	5.5	4.0	1.6	3.5	14.4	1.5	..	2.2	1.8	..
<b>NATURAL RUBBER</b>												
Brunei	0.1	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.3
Burma	0.6	0.7	0.8	0.6	0.6	0.6	1.6	1.3	..	0.6	..	..
Ceylon	4.2	7.0	7.8	7.7	6.6	8.8	10.2	8.2	10.5	9.0	12.3	10.3
Indochina	5.0	4.3	3.5	3.5	3.5	3.8	5.7	2.7	4.1	3.5	4.7	4.0
Indonesia	25.5	24.3	36.6	35.7	36.8	43.1	29.7	63.6	68.3	72.2	68.3	64.3
Malaya	31.4	54.2	57.5	57.5	58.2	56.5	58.3	39.0	60.7	63.1	62.3	56.6
N. Borneo	0.8	1.3	1.7	1.7	1.7	1.8	1.8	1.8	2.2	2.4	1.9	2.2
Sarawak	1.5	3.0	3.4	3.3	3.3	3.2	4.5	4.6	5.3	6.6	4.8	4.5
Thailand	3.5	4.5	8.1	8.0	8.1	7.5	8.1	9.9	11.0	10.0	12.1	10.7
<b>COTTON RAW</b>												
India	38.6	19.3	8.0	4.4	2.0	3.8	8.1	1.7	1.0	1.0	1.0	1.0
Pakistan	..	..	13.6	14.0	7.4	9.4	14.7	26.1	20.0	25.9	18.3	15.8
<b>COTTON YARN (ton)</b>												
Hong Kong	..	..	..	1,387	1,667	1,721	2,100	2,551	..	4,109	..	..
Malaya	197	..	22	152	49	544	377	108	708	833	877	413
Japan	1,745	903	458	803	820	700	1,307	813	947	1,215	1,016	610
<b>COTTON PIECE GOODS</b> (mn. metres)												
Hong Kong	..	..	..	7.4	6.2	7.7	6.0	7.3	17.3	12.8	20.2	18.8
India	14.6	22.9	23.5	35.5	33.2	61.3	92.3	67.4	77.4	80.5	73.2	78.6
Malaya	2.0	4.0	7.5	5.2	4.6	8.3	12.5j	13.3	13.5	8.6	16.3	15.5
Japan (mn. sq. metres)	158.4	26.4	28.2	52.2	47.6	51.9	71.5	78.5	77.4	76.4	76.7	79.1
<b>JUTE RAW</b>												
India	55.9	23.4	20.0	15.4	10.5	22.7	2.0	—	—	—	—	—
Pakistan	..	..	16.1	17.3	7.6	21.8	34.7	36.8	51.1	30.5	58.0	64.7
<b>JUTE MANUFACTURES</b>												
India	49.0	33.7	41.5	37.6	47.3	35.0	30.3	25.2	31.3	30.6	30.6	32.7
Bag k	29.9	27.0	33.3	23.5	22.1	23.4	23.2	18.0	20.2	20.4	23.6	16.6
Cloth k	..	..	..	..	..	..	..	..	..	..	..	..
<b>HEMP RAW</b>												
Philippines	11.8	7.2	6.2	5.3	4.4	..	5.9	8.6	..	..	..	..
<b>TIN CONCENTRATES</b>												
Burma	0.2	0.2	0.2	0.1	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Indonesia	1.2	1.3	2.8	2.6	2.5	2.1	2.6	2.5	2.5	1.9	3.1	2.6
Thailand	1.1	0.5	0.5	0.6	0.4	0.8	0.8	0.9	0.9	1.0	0.9	0.7
<b>TIN METAL</b>												
Hong Kong	..	..	0.2	0.3	0.1	0.3	0.2	0.1	—	—	—	—
Malaya	5.2	2.7	4.0	4.6	4.3	5.4	5.9	7.1	8.3	8.5	7.6	8.7
<b>PETROLEUM</b>												
Indonesia l	..	..	320.8	474.5	514.9	522.9	401.8	500.8	..	..	..	..
Malaya m	30.5	11.6	15.5	25.5	25.9	39.7	44.7	35.6	42.4	50.3	47.1	29.8

a Including territory of Pakistan.

b Federal territory only.

c Expressed in terms of oil equivalent; figures under column for 1938 refer to averages for the period 1934-38.

d Coconut oil only.

e Copra only.

f 1935-39.

g Excluding exports to Singapore.

h Palm oil only.

i Net exports.

j Unit changed in 1950 to million square meters.

k Converted at 2.25 lbs. per bag and 0.50 lb. per yard of cloth

l Petroleum and products.

m Motor spirit.



# VIII. INDEX NUMBERS OF UNIT VALUE OF IMPORTS AND EXPORTS

(Base 1948 = 100)

## A. IMPORT UNIT VALUE INDICES

	1938	1946	1947	1949	1949			1950					
					II	III	IV	I	II	III	July	Aug.	Sept.
<b>CEYLON</b>													
All commodities	23.0	81	93	95	93	94	95	99	96	98	98	98	98
<b>INDIA</b>													
All commodities	..	..	..	97a	93	92	105	102	101	109	98	100	100
Food, drink & tobacco.	..	..	..	108a	98	100	122	106	101	103	106	107	97
Raw material & semi-manufactures	..	..	..	106a	103	101	108	113	108	110	108	109	111
Manufactures	..	..	..	90a	88	86	94	94	95	92	89	90	96
<b>INDOCHINA</b>													
All commodities	7.8	44	35	123	122	120	128	116	126	126	126	118	134
<b>INDONESIA b</b>													
All commodities	14.6	..	..	94	93	92	96	..	..	..	..	..	..
Textiles	10.3	..	..	84	81	80	87	..	..	..	..	..	..
Provisions	14.4	..	..	97	96	94	101	..	..	..	..	..	..
Metals	16.4	..	..	100	99	99	101	..	..	..	..	..	..
Chemicals & dyes	16.4	..	..	101	95	103	108	..	..	..	..	..	..
Sundries	18.1	..	..	94	102	92	88	..	..	..	..	..	..
<b>MALAYA</b>													
All commodities	35.9	..	90	101	101	97	103	99	102	..	..	..	..
Food, drink & tobacco.	23.2	..	78	95	95	94	94	90	97	..	..	..	..
Raw materials	53.2	..	85	106	106	99	122	136	133	..	..	..	..
Manufactures	40.7	..	106	99	96	93	101	98	99	..	..	..	..
<b>PHILIPPINES</b>													
				102	93	102	98	82	73	81	90	77	75

## B. EXPORT UNIT VALUE INDICES

<b>CEYLON</b>													
All commodities	32.5	74	98	107	102	104	118	134	129	143	129	143	158
Tea	36.3	65	99	109	104	109	121	135	122	124	113	125	133
Rubber	56.2	143	108	90	86	82	107	125	154	237	194	233	284
All coconut products	14.5	60	94	111	107	106	116	147	145	138	133	135	145
Other export products	25.1	106	98	93	87	86	99	116	113	124	110	122	141
<b>INDIA</b>													
All commodities	..	..	..	104a	100	99	105	107	111	109	107	109	113
Food, drink & tobacco.	..	..	..	115a	108	109	116	121	133	127	129	126	125
Raw material & semi-manufactures	..	..	..	111a	103	100	104	110	121	112	112	109	116
Manufactures	..	..	..	97a	96	94	99	102	103	103	100	103	105
<b>INDOCHINA</b>													
All commodities	11.1	45	68	128	126	135	130	132	121	188	196	185	184
<b>INDONESIA</b>													
All commodities	31.2	..	..	105	99	100	122	128	274	382	338	383	426
Estate produce	37.7	..	..	124	121	121	136	155	314	390	365	386	420
Peasant produce	27.2	..	..	92	82	85	116	110	248	370	316	374	421
Forest produce	12.0	..	..	78	79	76	84	92	190	202	189	205	212
<b>MALAYA</b>													
All commodities	43.5	..	86	98	93	92	112	118	135	..	..	..	..
Food, drink & tobacco.	23.5	..	93	103	96	97	116	119	111	..	..	..	..
Raw materials	51.8	..	88	94	90	90	108	125	157	..	..	..	..
Manufactures	32.2	..	88	97	93	92	107	96	98	..	..	..	..
<b>PHILIPPINES</b>													
	62	..	..	174	162	171	187	173	183	200	180	205	215

a. Average of twelve months April 1949 to March 1950.  
b. Unweighted wholesale price index of imported goods.

# IX. INDEX NUMBERS OF WHOLESALE PRICES

(1948 = 100)

	1938	1946	1947	1949	1949		1950					
					III	IV	I	II	III	July	Aug.	Sept.
<b>INDIA</b>												
All items	27.2a	..	81.0	103.8	105.3	105.8	106.2	107.2	111.4	110.4	111.5	112.4
Food articles	26.7a	70.2	78.1	104.0	107.8	105.7	104.3	107.2	114.0	113.0	114.0	115.1
Industrial raw materials	23.2a	..	84.9	107.8	106.7	110.6	115.8	113.1	118.9	117.5	119.2	120.1
Semi-manufactured articles	31.6a	..	79.6	103.6	104.5	105.3	106.5	105.6	108.5	107.3	108.6	109.6
Manufactured goods	29.4a	..	81.2	101.0	102.2	101.8	101.6	102.1	102.6	102.2	102.7	102.9
Miscellaneous	19.8a	..	92.8	108.2	107.4	119.7	124.1	129.2	145.2	140.6	144.3	150.9
<b>KOREA (Seoul)</b>												
All items	..	33.8	61.4	136.8	148.3	170.1	202.3	..	..	..	..	..
Fertilizers	..	..	79.0	299.6	389.5	449.4	663.6	..	..	..	..	..
Textile raw materials	..	11.4	47.7	144.3	160.4	210.1	196.3	..	..	..	..	..
Textiles	..	14.7	48.5	140.1	146.0	173.0	149.4	..	..	..	..	..
Building materials	..	20.5	55.2	143.0	145.7	177.1	186.9	..	..	..	..	..
<b>PHILIPPINES (Manila)</b>												
General	20.3	143.0	96.1	85.6	85.8	81.5	78.2	72.7	75.8	72.5	75.2	79.7
<b>THAILAND (Bangkok)</b>												
General	6.06	..	105.0	93.4	93.3	91.1	90.1	93.8	96.4	96.0	96.0	97.2
<b>VIET-NAM (Saigon) c</b>												
General index	5.9b	48.3	68.2	125	130	127	115	114	130	122	132	136
Rice & paddy	5.9b	48.3	65.2	124.8	133.4	130.1	103.5	93.2	115.6	103.2	118.1	125.5
Other food products				124.7	136.7	131.8	124.3	123.9	122.2	120.6	123.1	123.1
Fuel & mineral products	7.0b	..	68.4	136	143	146	153	152	154	153	154	154
Raw materials	13.9b	56.0	50.3	120	113	115	122	140	197	174	206	212
Semi-finished products	6.8b	..	76.2	123	124	122	121	116	115	113	115	116
Manufactured products	4.4b	91.5	87.9	125	121	120	103	101	106	106	105	106
<b>JAPAN</b>												
All items	1.02	12.7	37.7	163.3	166.7	171.2	177.4	178.0	196.7	189.1	198.3	202.7
Edible farm products	1.18	9.8	33.7	178.0	184.5	184.2	194.8	208.3	218.3	229.5	216.7	208.7
Processed foods	0.69	10.2	35.2	164.2	165.7	166.9	158.8	153.9	159.8	157.4	160.7	161.2
Textiles	0.85	11.2	34.2	214.8	228.7	239.4	221.2	224.5	280.3	254.8	290.0	296.1
Chemical fertilizer	1.14	22.8	46.6	178.1	136.9	140.3	160.9	169.3	187.6	169.7	197.8	195.3
Metal & products	2.27	19.4	42.5	142.9	141.7	153.4	173.1	177.3	220.6	200.2	216.8	244.8
Building materials	1.21	13.1	44.1	141.3	141.1	142.6	154.1	147.9	160.7	151.4	162.5	168.1
Fuels	1.20	9.2	35.9	150.1	159.3	160.1	176.3	161.8	160.9	159.1	160.3	160.7
Miscellaneous	1.31	13.6	37.0	148.9	148.6	154.0	164.8	169.2	187.6	175.8	187.6	200.1

a Year ending August, 1939.  
b January to June, 1939.

c. New series beginning 1949, which is linked to the old series.

X. INDEX NUMBERS OF COST OF LIVING AND RETAIL PRICES

(1948 = 100)

	1938	1946	1947	1949	1949		1950					
					III	IV	I	II	III	July	Aug.	Sept.
BURMA (Rangoon)												
Cost of living	28	106	108	135	149	122	116	113	121	125	123	116
Food	24	136	115	142	162	127	119	115	132	136	135	128
CAMBODIA (Phnom-Penh)												
Cost of living	..	..	84	138	142	147	145	149	161	159	159	164
Food	..	..	80	133	136	143	138	..	..	..	..	..
CEYLON (Colombo)												
Cost of living	..	88	97	99	98	101	104	103	106	105	105	109
Food	..	82	91	104	103	107	111	110	114	112	113	117
HONG KONG												
Cost of living	..	..	101	112	113	120	122	115	116	..	..	116
Food	..	..	100	118	121	133	135	125	124	..	..	124
INDIA (Bombay)												
Cost of living	35	85	92	101	101	102	101	102	106	105	106	107
Food	32	91	99	105	106	108	106	108	114	113	114	115
INDONESIA (Djakarta)												
Food	8	..	179	97	89	101	105	118	111	116	108	108
KOREA												
Retail price index (Seoul)	..	35	65	127	132	151	195	..	..	..	..	..
Food (Republic)	..	45	66	123	135	136	206	..	..	..	..	..
LAOS (Vientianne)												
Cost of living	..	..	86	115	121	116	108	..	..	..	..	..
Food	..	..	88	109	116	109	105	..	..	..	..	..
MALAYA (Kuala Lumpur)												
Cost of living	..	..	106	94	93	94	94	97	103	100	103	105
Food	..	..	112	95	92	94	95a	97	..	100	..	..
PHILIPPINES (Manila)												
Cost of living	25	143	106	94	93	91	92	89	92	91	91	93
Food	24	166	108	93	92	89	88	82	85	84	84	87
THAILAND (Bangkok)												
Cost of living	8	86	100	96	92	95	98	102	97	96	97	97
VIET-NAM (Saigon)												
Cost of living	..	46	74	122b	124	121	121	122	127	125	127	128
Food	..	43	74	120	120	114c	115	112	114	112	114	117
JAPAN (Urban)												
Cost of living	..	27d	57	138	141	134	131	125	129	127	130	130
Food	..	32d	64	134	138	126	124	119	122	121	123	122

a. Average of January and March.  
b. January to November.

c. Average of October and November.  
d. August—December.

# XI. WHOLESALE PRICE QUOTATIONS OF SELECTED COMMODITIES\*

(Monthly averages per ton)

						1949		1950					
	Currency	1938	1947	1948	1949	III	IV	I	II	III	July	Aug.	Sept.
RICE													
Burma	Rs.	..	280	266	264	264	264	257	265	..	..	..	..
India	Rs.	..	..	436	442	442	442	432	432	432	432	432	432
Indonesia	Fl.	..	..	870	870	740	1,075	1,073	940	920	910	920	930
Japan	000 Y.	0.21†	12.1	24.9	29.1	24.9	27.7	29.1	..	..	..	..	..
Korea	000 W.	..	85	127	145	166	171	268	..	..	..	..	..
Pakistan	Rs.	..	..	917	977	989	870	427	507	..	452	445	..
Thailand	Baht	..	1,490	1,420	1,330	1,320	1,360	1,890	..	..	..	..	..
Viet-Nam	Fr.	106	1,720	2,100	2,630	2,850	2,720	2,180	1,910	2,410	2,160	2,460	2,610
WHEAT													
India	Rs.	..	..	566	532	478	407	407	409	412	412	412	412
Korea	000 W.	..	37	73	95	90	128	224	..	..	..	..	..
Pakistan	Rs.	..	..	326	317	320	320	316	287	..	244	226	..
SUGAR													
India	Rs.	..	..	990	846	906	778	769	769	769	769	769	769
Indonesia	Fl.	..	..	2,290	1,550	970	2,230	2,867	3,500	2,943	3,530	2,750	2,550
Korea	000 W.	..	517	411	745	858	887	1,150	..	..	..	..	..
Pakistan	Rs.	..	680	925	964	957	957	981	989	..	989	1,013	..
Philippines	P.	72	551	307	313	321	319	276	289	293	294	291	293
Thailand	Baht	..	10.61	4.61	5.66	6.50	5.23	4.10	..	..	..	..	..
PEPPER													
Cambodia	000 Fr.	0.41	23.4	35.1	96.0	135	135	136	127	147	147	150	145
Indonesia	000 F.	..	..	5.47	19.4	19.9	36.2	46.2	..	..	..	..	..
Malaya	000 M\$	..	2.3	3.2	8.2	8.1	14.7	14.5	14.0	16.7	15.9	17.2	17.1
Thailand	000 Baht	..	17.7	23.8	46.0	63.6	62.5	62.5	..	..	..	..	..
TEA													
Ceylon	Rs.	1,540	3,460	3,330	4,170	4,340	5,220	4,900	3,700	4,530	4,010	4,740	4,830
India	Rs.	..	..	3,590	3,660	3,640	4,440	..	..	..	..	4,100	4,120
Pakistan	Rs.	..	..	4,696	4,248	4,203	4,271	3,862	4,343	..	..	4,363	..
Indonesia	Fl.	..	..	2,200	2,870	3,130	3,770	4,583	5,167	6,333	4,750	7,250	2,000
U.K.	U.S. \$	630	1,020	1,190	..	1,290h	897i	824	888	999	1,005	1,010	981
U.S.A.	U.S. \$	..	1,213	1,290	1,243	1,279	1,177	1,207	1,066	1,133	1,067	1,182	1,153
TOBACCO													
India	Rs.	..	..	..	5,800	6,040	6,100	6,100	7,143	7,099	7,099	7,099	7,099
Pakistan	Rs.	..	..	2,551	2,368	2,308	2,443	2,651	2,281	..	..	2,285	..
Philippines	P.	123	711	816	796	779	772	925	1,296	1,241	1,261	1,243	1,217
VEGETABLE OIL b													
Ceylon	Rs.	181	980	1,006	1,006	1,006	1,006	1,332	1,259	1,421	1,209	1,468	1,587
India	Rs.	..	..	666	768	856	753	818	878	888	886	925	854
Indonesia	Fl.	..	..	1,221	940	930	900	923	1,777	1,977	1,980	1,980	1,970
Malaya	M\$	149‡	673	1,160	913	883	1,000	1,014	1,029	1,150	1,015	1,184	1,253
Pakistan	Rs.	..	..	2,649	2,986	3,075	3,189	3,281	2,737	..	3,012	3,800	..
Philippines	P.	130	800	980	620	547	600	670	640	673	640	650	730
COPRA													
Ceylon	Rs.	109	480	531	590	590	590	785	762	842	733	866	926
India	Rs.	..	..	986	1,289	1,311	1,437	1,462	1,398	1,476	1,416	1,471	1,539
Indonesia	Fl.	..	..	390	470	423	510	860	1,250	1,283	1,250	1,250	1,350
Malaya	M\$	59	351	646	518	475	558	607	615	693	611	709	759
Philippines	P.	60	350	515	311	278	317	344	358	347	340	361	401
Thailand	Baht	..	..	..	2,320	2,220	2,750	3,600	..	..	..	..	..
COTTON, RAW													
India	Rs.	..	1,250	1,330	1,800	1,980	1,310c	1,310	..	..	..	..	..
Japan	000 Y.	..	15.3	48.3	211	266	255g	256	259	..	265	279	..
Korea	000 W.	..	236	630	929	1,010	1,440	1,650	..	..	..	..	..
Pakistan	Rs.	..	1,328	1,879	2,109	2,160	1,900	1,867	1,934	..	2,071	2,274	..
U.K.	£	..	..	..	232	239	271	286	..	..	318	..	..
JUTE, RAW													
India	Rs.	..	..	1,078	1,069	981	1,102	1,102	1,102	1,102	1,102	1,102	1,102
Pakistan	Rs.	..	..	958	849	758	661	673	713	..	695	696	..
U.K.	U.S. \$	90	323	385	..	380	314	316	328	311	313	311	509
U.S.A.	U.S. \$	95	348	408	..	356	313	348	358	339	331	339	348



# XI. WHOLESALE PRICE QUOTATIONS OF SELECTED COMMODITIES<sup>a</sup> (Contd.)

(Monthly averages per ton)

	Currency	1938	1947	1948	1949	1949		1950					
						III	IV	I	II	III	July	Aug.	Sept.
<b>HEMP</b>													
Philippines	P.	118	683	883	892	794	864	884	832	882	815	940	891
<b>WOOL, RAW</b>													
India	Rs.	..	..	1,963	2,031	1,652	2,545	2,925	3,237	3,087	3,221	2,953	3,087
Pakistan	Rs.	..	..	..	3,180	3,010	..	3,920	4,260	..	5,242	5,107	..
<b>SILK, RAW</b>													
India	000 Rs.	..	..	52.9	66.9	68.6	76.5	78.6	90.8	93.3	100.8	87.9	91.1
Japan	Mn. Y.	..	..	1.57	2.29	2.01	2.45	2.67	2.02	2.92	2.51	3.26	3.00
Korea	Mn. W.	..	3.4	7.1	11.6	11.4	18.4	16.7	..	..	..	..	..
<b>HIDES</b>													
India	Rs.	..	..	2,160	2,010	1,870	1,970	2,040	1,710	2,058	1,929	2,205	2,039
Pakistan	Rs.	..	1,941	1,860	2,295	2,331	1,850	2,412	2,473	..	2,224	2,236	..
Thailand	000 baht	..	6.6	8.2	9.9	10.0	10.7	12.1	..	..	..	..	..
<b>RUBBER, NATURAL</b>													
Ceylon	Rs.	816	1,411	1,389	1,257	1,161	1,528	1,742	2,543	3,939	3,086	4,101	4,270
Indonesia	Fl.	..	..	1,177	1,210	1,120	1,520	1,583	3,870	2,820	5,680	6,680	7,660
Malaya	M\$	539	791	944	855	730	1,032	1,170	1,711	6,677	2,167	3,025	3,267
Thailand	baht	..	4,833	6,531	6,233	5,950	5,950	..	..	363	280	384	427
U.K.	£	66	113	119	108	102	127	145	209	1,078	862	1,138	1,234
U.S.A.	US\$	324	459	483	388	373	373	423	606	1,078	15,230	20,280	20,580
Viet-Nam	Pr.	1,020	2,940	7,150	8,300	7,450	7,610	8,210	10,470	18,730	..	..	..
<b>COAL</b>													
India	Rs.	..	..	16.1	16.0	16.1	15.7	15.5	15.5	15.5	15.5	15.5	15.5
Indochina	Pr.	23	251	342	533	556	556	580	572	580	582	579	579
Japan	000 Y.	..	..	3.94	5.66	5.66	5.40	5.96	..	..	89.2	89.2	..
Pakistan	Rs.	..	78	83	89.2	89.2	89.2	89.2	89.2	..	..	..	..
Korea	000 W.	..	1.02	3.61	3.80	4.22	4.30	4.33	..	..	..	..	..
<b>TIN</b>													
Malaya	000 M\$	1.60	3.53	4.53	4.46	4.73	4.90	4.86	4.99	6.37	5.96	6.56	6.58
Thailand	000 baht	..	..	..	20.04	20.19	18.19	16.53	..	..	..	..	..
U.K.	£	187	421	543	596	579	679	590	536	733	661	772	764
U.S.A.	US\$	932	1,719	2,188	2,186	2,263	1,939	1,654	1,702	2,155	1,981	2,250	2,233
<b>PIG IRON</b>													
India	Rs.	..	..	111	111	112	108	105	105	105	105	105	105
Japan	000 Y.	0.02	0.92	3.1	4.7	4.6	7.4	9.8	9.8	..	11.9	11.9	..
Korea	000 W.	..	4.5	15.0	27.5	29.3	37.3	50.3	..	..	..	..	..
<b>CEMENT</b>													
India	Rs.	..	..	83.7	81.2	81.2	81.2	81.2	81.2	81.2	81.2	81.2	81.2
Indochina	Pr.	30	..	746	961	971	971	994	996	976	976	976	976
Japan	000 Y.	..	523	2.79	4.12	4.21	4.32	4.99	4.78	4.8	4.7	4.8	5.0
Korea	000 W.	..	..	21.8	40.6	48.7	50.7	48.0	..	..	..	..	..
Pakistan	Rs.	..	9.18	..	93.7	93.7	93.7	93.7	93.7	..	93.7	93.7	..
<b>COTTON YARN</b>													
India	Rs.	..	..	2,620	3,130	3,180	3,090	3,060	3,060	3,060	3,060	3,060	3,060
Indochina	000 Pr.	1.6	..	50.1	45.0	45.0	45.0	55.1	50.2	47.6	45.9	47.2	49.8
Japan	000 Y.	..	..	87	280	385	359	359	357	357	357	357	357
<b>COTTON FABRICS</b>													
India	000 Rs.	..	..	4.1	3.8	3.8	3.7	3.7	3.6	3.6	3.6	3.6	3.6
Japan (Y. per meter)	..	..	..	..	62	59	58	58	59	90	79	94	97
<b>JUTE BAGS (per hundred)</b>													
India	Rs.	..	..	133	146	161	156	156	156	156	156	156	156
Pakistan	Rs.	..	118	151	174	177	179	214	200	..	198	187	..
<b>JUTE (hessian)</b>													
U.K.	U.S. \$	183.7	569.5	658.4	..	..	559.2	559.2	559.2	559.2	559.2	559.2	559.2
U.S.A.	U.S. \$	172.8	754.9	659.6	..	591.4	637.7	651.4	586.1	759.4	625.8	767.2	885.0

a. For details regarding specification and market centre see "Explanatory Notes to Table X" in Vol. I No. 1, and Footnote a to Table XI in Vol. I No. 2, with the only modification that Pakistan wheat quotations are for fair average quality at Karachi.

b. Coconut oil for Ceylon, Malaya and the Philippines; groundnut oil for India; palm oil for Indonesia; and mustard oil for Pakistan.

c. India, raw cotton, Bengal Fine M.G. substituted from third quarter 1949 for original specification the price of which in the third quarter of 1949 was 1309.

g. October.

h. Average of July and August.

i. December.

† 1937.

‡ 1939.

## XII. FINANCIAL STATISTICS<sup>a</sup>

	1938	1948	1949	1949		1950						
				III	IV	I	II	III	July	Aug.	Sept.	
BURMA (million Rs.)												
Currency and Deposit Money												
Deposit money b	..	174	202	207	205	193	204	225	226	223	225	
Commercial Banks												
Total deposits	108	199c	233	239	237	226	246	267	266	265	269	
Assets: Cash	3	72c	109	117	121	72	74	74	84	71	68	
Short term	48	67c	60	52	49	94	105	91	93	92	89	
Union Bank of Burma												
Deposits: Total	..	108d	149	166	191	136	189	291	278	287	307	
Government	..	44d	46	55	76	70	122	223	200	223	245	
Foreign assets: Total	..	88d	172	200	205	141	173	271	251	268	294	
Local assets:												
Short term: Government	..	14d	30	28	33	30	35	31	34	29	29	
Bank Clearings	68	157c	128	143	107	123	139	151	149	149	153	
CEYLON e (million Rs.)												
Currency and Deposit Money												
Notes: Net active	35	222	222	226	229	230	242	277	247	259	277	
Deposit money b	..	579	621	642	734	613	640	611	..	..	611	
Commercial Banks												
Total deposits	..	641	687	708	801	679	706	681	727	805	681	
Assets: Cash	..	269	284	331	401	194	201	167	..	..	167	
Short term	..	127	137	136	155	169	181	220	..	..	220	
Long term	..	193	230	229	232	236	279	297	..	..	297	
Bank Clearings	91	396	461	431	502	519	525	614	527	740	614	
HONG KONG (million HK\$)												
Currency and Deposit Money												
Notes: Total issued	..	778	840	833	804	803	801	802	801	802	803	
Bank Clearings	..	689	917	935	918	878	945	1,408	1,164	1,523	1,539	
INDIA f (1000 million Rs.)												
Currency and Deposit Money												
Currency: Net active	3.03g	13.58	12.38	12.00	11.89	12.54	12.86	12.26	12.45	12.23	12.09	
Deposit money	1.35g	8.07	7.06	7.02	6.81	6.85	6.80	6.79	6.82	6.79	6.77	
Scheduled Banks												
Total deposits	2.27	9.90	8.85	8.66	8.61	8.61	8.66	8.75	8.77	8.73	8.75	
Assets: Cash	0.22	1.28	1.04	1.12	1.11	0.87	.90	1.08	1.09	1.04	1.11	
Short term	1.16	4.33	4.47	4.23	4.04	4.45	4.68	4.26	4.38	4.27	4.13	
Long term	..	4.65h	3.74	3.72	3.76	3.60	3.60	..	3.75	..	..	
Reserve Bank of India												
Deposits: Total	0.32	4.29	3.10	2.93	3.12	2.95	2.70	3.04	2.92	2.99	3.21	
Government i	0.15	2.57	1.75	1.47	1.71	1.77	1.56	1.66	1.54	1.64	1.80	
Foreign assets: Total	1.15	13.74	8.95	8.28	8.43	8.86	8.76	8.50	8.58	8.46	8.47	
Banking Department	0.04	3.44	1.87	1.73	1.99	2.02	1.94	2.22	2.20	2.23	2.24	
Issuing Department	1.11g	10.30	7.08	6.55	6.44	6.84	6.82	6.28	6.38	6.23	6.23	
Local assets:												
Short term: Government	0.02	0.01	0.03	0.03	—	0.01	0.02	0.03	0.02	..	0.08	
Short term: Others	0.02	0.09	0.12	0.11	0.11	0.14	0.13	0.07	0.08	0.07	0.06	
Long term: Total	0.39	2.83	5.01	5.08	5.07	5.10	5.27	5.23	5.23	5.24	5.22	
Banking Department	0.06	0.75	1.00	0.90	0.92	0.86	0.59	0.71	0.56	0.72	0.85	
Issuing Department	0.32	2.08	4.01	4.18	4.15	4.24	4.68	4.52	4.67	4.52	4.37	
Banking Clearings	1.54	5.07	4.77	4.37	4.75	4.83	4.61	4.60	4.41	4.99	4.39	
INDO-CHINA (million Pr.)												
Commercial Banks												
Total deposits	..	1,126	1,284	1,293	1,357	1,574	1,520	1,580	1,563	1,588	1,590	
Assets: Short term	..	338	600	662	668	735	683	658	625	712	637	
INDONESIA (million Fl.)												
Currency and Deposit Money												
Notes: Total issued j	188g	1,577g	1,740	1,772	1,864	1,994	2,114	2,297	2,182	2,310	2,400	
Bank of Java												
Demand deposits	83g	884g	756	761	835	1,238	833	724	666	692	813	
Foreign assets: Total	128g	..	551	567	549	735	726	770	752	752	806	
Local assets:												
Short term: Government	3g	916g	972	1,010	1,105	1,622	1,933	2,030	1,931	2,034	2,125	
Short term: Others	61g	..	70	66	65	69	120	169	141	157	210	

## XII. FINANCIAL STATISTICS (Contd.)

	1938	1948	1949	1949		1950					
				III	IV	I	II	III	July	Aug.	Sept.
JAPAN (1000 million Y.)											
Currency and Deposit Money											
Notes: Net Active k	2.9	338.1	294.0	281.4	304.7	296.8	298.1	307.4	302.8	307.5	311.9
Deposit money	5.3g	266.9	384.2	383.6	404.0	430.4	437.8	..	..	..	..
All banks except Bank of Japan											
Total deposits	19.1	326.4	613.9	653.7	720.7	806.7	852.3	917.1	888.0	899.2	964.1
Assets: Cash	1.5g	52.6	101.5	105.4	118.0	134.5	130.5	..	..	..	..
Short term	12.7	248.3	496.8	523.3	631.0	715.8	786.1	855.5	825.2	859.1	882.2
Long term	5.8	68.2	115.4	113.6	112.1	106.4	110.2	120.4	116.0	119.6	125.6
Bank of Japan											
Deposits: Total	0.4	29.5	57.2	67.6	44.2	48.8	49.7	51.0	49.5	43.5	60.1
Government	0.3	10.4	35.2	43.9	19.9	30.6	32.3	32.7	30.9	25.2	41.9
Local assets:											
Short term: Government	—	69.0	94.1	99.5	98.5	84.5	70.2	89.9	108.2	83.2	78.2
Short term: Others	0.1	54.6	77.8	78.1	97.6	101.3	128.6	140.2	118.3	146.4	156.0
Long term: Government	1.8	153.8	182.3	165.3	159.3	170.2	145.1	123.2	121.4	120.6	127.6
Bank Clearings	..	235.7	549.2	545.4	681.6	656.4	746.6	819.6	795.6	814.9	848.4
KOREA m (1000 million W.)											
Currency and Deposit Money											
Notes: In circulation	0.31	28.90	42.06	40.86	57.86	60.45	..	..	..	..	..
Deposit money	0.12	11.48	20.65	23.82	26.18	25.92	..	..	..	..	..
All Banks											
Total deposits	0.52	32.93	56.93	66.13	64.81	69.88	..	..	..	..	..
Assets: Cash	0.05	8.31	15.44	17.59	18.79	26.05	..	..	..	..	..
Short term	1.05	32.16	52.92	54.23	76.25	85.90	..	..	..	..	..
Long term	0.41	3.25	3.53	3.57	3.68	4.14	..	..	..	..	..
Bank of Korea											
Deposits: Total	0.62	5.18	7.86	10.33	7.06	8.83	..	..	..	..	..
Government	0.06	0.13	0.54	0.85	0.64	0.68	..	..	..	..	..
Local assets:											
Short term: Government	0.09	0.14	0.30	0.40	0.42	0.46	..	..	..	..	..
Short term: Others	0.97	8.20	13.45	11.75	26.57	34.64	..	..	..	..	..
Long term	0.28	0.18	0.41	0.44	0.48	0.54	..	..	..	..	..
Bank Clearings	0.20	20.87	39.87	41.73	56.93	58.13	..	..	..	..	..
MALAYA (million M\$)											
Currency and Deposit Money											
Currency: Total issued n	..	407	402	402	403	403	410	461	429	457	496
PAKISTAN (million Rs.)											
Currency and Deposit Money											
Currency: In circulation	..	1,708	1,741	1,718	1,694	1,804	1,789	1,704	1,721	1,705	1,686
Deposit money	..	990	999	982	1,043	1,045	1,081	1,085	1,083	1,108	1,065
Scheduled Banks											
Total deposits	..	1,092	1,072	1,061	1,094	1,151	1,198	1,202	1,232	1,195	1,180
Assets: Cash	..	218	204	187	244	182	161	127	139	123	120
Short term	..	322	423	429	414	519	511	521	480	508	574
State Bank of Pakistan											
Deposits: Total	..	1,164	1,015	935	930	796	766	796	763	804	821
Government	..	911	795	716	669	579	595	600	558	610	631
Foreign assets:											
Banking Department	..	1,009	722	673	551	361	308	315	325	318	301
Issuing Department	..	1,203	1,618	1,575	1,378	1,475	1,352	1,130	1,140	1,140	1,110
Local assets:											
Short term: Government	..	117	111	108	105	106	103	102	102	102	102
Short term: Others	..	..	3	1	8	17	10	40	20	45	56
Long term:											
Banking Department	..	65	178	181	271	301	286	247	192	192	356
Issuing Department	..	25	97	136	265	297	411	519	519	519	519
Bank Clearings	..	300	325	280	295	355	327	366	411	361	326

XII. FINANCIAL STATISTICS (Contd.)

	1938	1948	1949	1949		1950						
				III	IV	I	II	III	July	Aug.	Sept.	
PHILIPPINES (million P.)												
Currency and Deposit Money												
Currency: Net active	141g	513	551	524	571	568	574	601	591	599	613	
Deposit Money	73g	547	547	536	497	493	530	545	512	531	593	
Commercial Banks												
Total deposits	..	..	886	882	855	814	851	875	844	859	921	
Assets: Cash	65g	313	203	190	178	181	174	175	163	152	209	
Short term	210	..	563	550	567	586	579	568	567	567	570	
Long term	49	..	84	91	83	55	68	75	74	76	76	
Central Bank of Philippines												
Deposits: Total	..	..	144	141	110	133	138	148	140	125	180	
Foreign assets: Total	..	400	607	567	485	442	447	459	439	447	491	
Local assets:												
Short term: Others	..	..	30	25	91	85	62	63	69	53	66	
Long term	..	..	20	16	59	103	122	139	132	137	149	
Bank Clearings	26	381	443	433	426	460	461					
Total Bank Debits to Check- ing Account	175	772	723	735	732	597	639					
THAILAND (million baht)												
Currency and Deposit Money												
Notes: in circulation p	191g	2,237	2,505 <sup>f</sup>	2,487	2,516	2,648	2,700	2,781	2,690	2,760	2,893	
Deposit money r	..	1,014	1,020	1,061	1,041	939	943	1,030	1,015	1,050	1,026	
Commercial Banks												
Total deposits	53	786	829	865	851	820	821	864	844	879	870	
Assets: Cash	13	369	330	340	325	263	252	255	273	265	227	
Short term	28	406	546	516	556	625	600	598	584	604	605	
Long term	8	102	101	100	99	88	90	104	105	105	101	
Bank of Thailand												
Deposits: Total	..	717	1,166	1,326	1,268	1,308	1,451	1,542	1,524	1,504	1,597	
Government	..	338	444	533	423	437	501	511	519	459	555	
Foreign assets												
Banking Department	..	301	390	532	475	401	550	627	640	674	567	
Issuing Department	111g	1,421	1,877	1,844	2,168	2,291	2,373	2,431	2,373	2,373	2,548	
Local assets:												
Short term: Others	..	434	604	588	638	820	827	933	862	889	1,048	
Long term:												
Banking Department	..	5	150	152	141	143	143	140	144	138	138	
Issuing Department	..	951	755	739	500	500	500	500	500	500	500	
Bank Clearings	..	774	1,112	1,092	1,246	1,350	1,357	1,653	1,504	1,801	1,654	

- a Net active currency: Total issued less holdings in all banks including the central bank and the government treasuries. Currency in circulation: Total issued less holdings in all banks including the central bank. Deposit money: Deposits of all banks (including central bank) subject to checks but excluding inter-banking liabilities and central government deposits. Cash of commercial banks: Cash and balances with banks. Short term assets: Short term assets such as loans, advances and bills discounted. Long term assets: Securities, bonds, debentures etc. Figures refer to end of period for months and average of month ends for quarterly and annual figures, except in the case of bank clearings where monthly totals and their averages are used.
- b Demand deposits of commercial banks.
- c Average March-December.
- d Average April-December.
- e Figures for 1949 are end of quarter and their averages. 1950 figures are end of period.

- f Figures for 1938 are average of weeks for the twelve months ending March 1939, except where indicated under g.
- g End of year.
- h Average of September-December.
- i Central and other government deposits except 1938 which includes only those of the central government.
- j Total of Bank of Java notes and government paper money.
- k End of year for 1938, 1948, annual average (only 11 months) for 1949.
- m For first quarter, 1950, average of January and February except bank clearing.
- n The figures in the first of each month have been taken to represent end of month figures of the previous month.
- p Total issued less amount held in Banking Department of the Bank of Thailand.
- r Sight deposits with commercial banks and at the Bank of Thailand but excluding government deposits.



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